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Ontario
Securities
Commission

OSC Bulletin

4th SEPTEMBER, 1981

VOLUME 2 #8/81

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NOTICE

Bache Halsey Stuart Canada Ltd. ("Bache Canada") is registered as a broker/investment dealer under the Securities Act of Ontario (the "Act"). The Prudential Insurance Company of America has recently acquired all of the issued and outstanding shares of Bache Group Inc. which owns all of the outstanding shares of Bache Canada. The acquisition constitutes a "material change of ownership" of Bache Canada under the Regulations to the Act. The Regulations provide that the renewal of registration of a non-resident controlled registrant such as Bache Canada, is conditional upon, among other things, there being no material change in ownership without the consent or permission of the Ontario Securities Commission (the "Commission"). Subsection 133(3) of the Regulations provides that the Commission may give its consent or permission to such a material change of ownership if certain tests are satisfied relating to the service provided by the non-resident controlled registrant to Ontario investors. Bache Canada has filed with the Commission an application pursuant to subsection 133(3) of the Regulations for the Commission's consent to, or permission for, the material change in ownership that has occurred.

Take notice that the application of Bache Canada under subsection 133(3) of the Regulations to the Act will be heard in a public hearing on September 15, 1981 at 10:00 a.m. at the Commission offices, on the 6th floor at 10 Wellesley Street East, Toronto, Ontario.

And take further notice that copies of the application are available for inspection at the Public Search Office of the companies Division, Ministry of Consumer and Commercial Relations, 2nd Floor, 555 Yonge Street, Toronto, and at the offices of Bache Canada, 18 King Street East, Toronto, Ontario.

And take further notice that parties who wish to appear in person or through counsel at the hearing are requested to advise the Secretary to the Commission of such intention by no later than September 10, 1981 so that a schedule of appearances may be prepared.

Dated at Toronto, Ontario this 4th day of September, 1981.

NOTICE OF HEARING
(Section 99)

RE: CDC PETROLEUM INC. ("Petroleum")

AND

AQUITAINE COMPANY OF CANADA LTD. ("Aquitaine")

TAKE NOTICE that at 10 a.m. on Monday, September 21, 1981, at its offices on the 6th Floor, 10 Wellesley Street East, Toronto, Ontario, the Commission will hear an application by Petroleum for an order pursuant to section 99 of The Securities Act, R.S.O. 1980, c. 466 (the "Act") in connection with a take-over bid proposed to be made by Petroleum to purchase the common shares in the capital of Aquitaine not owned by Petroleum at a price per share which is the same as that paid by Petroleum on the purchase by it of an aggregate of 16,130,000 common shares of Aquitaine from Société Nationale Elf Aquitaine ("SNEA") pursuant to the Aquitaine Agreement hereinafter referred to that:

- (a) an agreement (the "Aquitaine Agreement") entered into on June 26, 1981 between Canada Development Corporation ("CDC") and SNEA, and
- (b) an agreement entered into on June 26, 1981 between CDC and SNEA relating to Texasgulf Inc.

were made for reasons other than to increase the value of the consideration paid to SNEA for the common shares of Aquitaine purchased by Petroleum pursuant to the Aquitaine Agreement. The above-mentioned agreements will be summarized in the take-over bid circular proposed to be issued by Petroleum. Copies of the agreements may be examined at the offices of the Commission and may be obtained without charge from the offices of Canada Development Corporation, Suite 200, 444 Yonge Street, Toronto M5B 2H4.

AND TAKE NOTICE that any interested party may provide the Commission with any written or oral submissions or testimonies concerning this matter.

DECISIONS, ORDERS AND RULINGS

IN THE MATTER OF ARNOLD HARVEY AGNEW

WHEREAS on July 6, 1981 the Ontario Securities Commision (the "Commission") made an order pursuant to section 124 of the Securities Act, R.S.O. 1980, c.466 (the "Act");

AND WHEREAS the said order dated July 6, 1981 was made upon the consent of Arnold Harvey Agnew ("Agnew");

AND WHEREAS the last paragraph of the said order dated July 6, 1981 was to the effect that the exemptions contained in section 34 of the Act do not apply to Agnew for the period of time commencing July 6, 1981 and ending December 31, 1981, excepting the sale of 100 shares of I. U. International, the sale of 100 shares of Surf Oil and the sale of securities presently in Agnew's Registered Retirement Savings Plan;

AND WHEREAS Agnew, through his solicitor has represented to the Commission that he is the owner of 500 shares of I.U. International and 500 shares of Surf Oil;

AND WHEREAS the Commission is of the opinion that it is in the public interest to do so;

IT IS ORDERED that the last paragraph of the said order dated July 6, 1981 be amended to read as follows:

IT IS ORDERED pursuant to section 124 of the Act that the exemptions contained in section 34 of the Act do not apply to Arnold Harvey Agnew for the period of time commencing July 6, 1981 and ending December 31, 1981, excepting the sale of 500 shares of I. U. Internatioal, the sale of 500 shares of Surf Oil and the sale of securities presently in his Registered Retirement Savings Plan.

31st August, 1981.

"R.T. Morgan"

"H.S. Bray"

BURNS FRY INVESTMENT MANAGEMENT LIMITED

WHEREAS Burns Fry Investment Management Limited (B.F.I.M.L.) has made an application, initially received July 16, 1981, to the Ontario Securities Commission (the "Commission") for an order pursuant to section 114(3) of the Securities Act, R.S.O. 1980, c.466 (the "Act") to exempt B.F.I.M.L. from compliance with section 114(2) of the Act;

AND WHEREAS it appears to the Commission that B.F.I.M.L. is subject to the Toronto Stock Exchange General By-Law paragraph 8.31(13);

AND WHEREAS Toronto Stock Exchange General By-Law paragraph 8.31(L3) has substantially the same effect as the requirements set out in section 114(2);

IT IS ORDERED pursuant to section 114(3) of the Act that B.F.I.M.L. is exempt from the requirements of section 114(2) of the Act for so long as B.F.I.M.L. is subject to paragraph 8.31(13) of the Toronto Stock Exchange General By-Law and that paragraph imposes regulations on B.F.I.M.L. to substantially the same effect as the requirements set out in section 114(2) of the Act.

31st August, 1981.

"Harry S. Bray"

"R.T. Morgan"

CONOCO INC.

UPON the application of JES Holdings, Inc. (the "Applicant") to the Ontario Securities Commission ("Commission") pursuant to section 99(e) of the Securities Act, R.S.O. 1980, c.466 (the "Act");

AND UPON the Commission being advised that:

1. The Applicant is a corporation incorporated under the laws of the State of New York and Conoco Inc. ("Conoco") is a corporation incorporated under the laws of the State of Delaware;
2. As of May 5, 1981, 107,864,538 common shares in the capital stock of Conoco having a par value of \$5.00 per share (the "Shares") were issued and outstanding, and as of June 10, 1981 Conoco acquired 22,000,000 Shares from Dome Petroleum Limited;
3. By an offer dated June 25, 1981 (the "Original Offer"), the Applicant offered to purchase up to 35,000,000 Shares, conditional on the tender of a minimum of 28,000,000 Shares, less the number of common shares in the capital stock of Conoco, if any, but not more than 15,000,000, that may have been purchased by the Applicant from Conoco prior to July 17, 1981, and the Applicant reserved the right to purchase additional Shares. The Original Offer was made in full compliance with The Securities Exchange Act of 1934 of the United States of America (the "U.S. Exchange Act");
4. By means of a Supplement dated July 13, 1981, the Applicant amended the Original Offer by extending the expiry date to July 24, 1981 and offering to purchase 44,350,000 Shares at a price of U.S. \$85 per shares. Such offer was not conditional upon any minimum number of shares being tendered;
5. By a further Supplement dated July 23, 1981, the Applicant further amended the Offer by increasing the price to U.S. \$92 per share for the same number of shares and extending the expiry date, unless extended again, to August 5, 1981 (the "Amended Offer"). The Amended Offer is not conditional upon any minimum number of shares being tendered;

6. The Applicant is not in a position to determine the names and addresses of the holders of Shares but has no reason to believe that any significant number of holders of Shares reside in Ontario or that any significant number of Shares are held by persons whose address on the records of Conoco are in Ontario ("Ontario Shareholders");
7. The Applicant, in accordance with the U.S. Exchange Act, has requested that Conoco either make its list of holders of Shares available to the Applicant in order that the Applicant may forward its formal tender material in connection with the Original and the Amended Offer (the "Offering Material") to all the holders of Shares, or alternatively, that Conoco deliver all Offering Material to such holders of Shares; and
8. In view of the current disruption of mail service in Canada resulting from a strike by certain employees of the Canada Post Office, the Applicant proposes to communicate the making of the Original and Amended Offer by way of press release and advertisement, and by delivery of the Offering Material to the offices of The Royal Trust Company throughout Canada, and by such other means as may appear to the Applicant to be useful in communicating the terms and conditions of the offer to the holders of Shares whose addresses on the records of Conoco are in Canada;

AND having issued Orders dated July 7, 1981 and July 16, 1981 under section 99(e) of the Act exempting the Original Offer, as amended, from the requirements of sections 89, 90, 94(2) and 97 of the Act subject to the terms and conditions contained in such Orders;

AND being of the opinion that to so further order would not be prejudicial to the public interest;

NOW THEREFORE IT IS ORDERED, pursuant to section 99(e) of the Act, that the Applicant is hereby exempted from the requirements of sections 89, 90, 94(2) and 97 of the Act with respect to the Original Offer, as amended, and the Amended Offer

and any other supplements thereto on the following terms and conditions:

1. The Offer to Purchase dated June 25, 1981 in connection with the Original Offer and the Supplements dated July 1, 1981, July 13, 1981 and July 23, 1981, copies of which have been delivered to the Commission and any other Supplements thereto shall be deemed to be a take-over bid circular for the purposes of Part XIX of the Act; and
2. All Offering Material sent to holders of Shares resident in the United States of America in connection with the Original and Amended Offer shall be sent to Ontario Shareholders and a copy thereof filed with the Commission;

AND IT IS ORDERED, pursuant to section 99(e) of the Act, and subject to the foregoing terms and conditions, that in making the Original Offer and the Amended Offer and any other amendments thereto, the Applicant is hereby exempted from those provisions of Part XIX of the Act which would require the Applicant to send the Original Offer and the Amended Offer and any other amendments thereto to all holders of Shares on the following terms and conditions:

- (a) The Applicant shall cause an advertisement containing,
 - (i) the terms and conditions of the Offer or any Amendment;
 - (ii) a summary of the information required by the U.S. Exchange Act to be contained in a take-over bid circular; and
 - (iii) a statement that further information is contained in the Offering Material, copies of which may be obtained from The Royal Trust Company and from all securities commissions and similar regulatory authorities as described in paragraph (b) immediately following

to be published on a date or dates to be agreed between the Director and the Applicant in a newspaper of daily circulation in each of

the cities of Toronto, Montreal, Winnipeg, Calgary, Edmonton and Vancouver.

- (b) Copies, in reasonable quantities, of all Offering Material shall be provided by the Applicant to all branches and offices of The Royal Trust Company located in Canada, and to all securities commissions and similar regulatory authorities in Canada for distribution without charge to all holders of Shares on request.
- (c) In the event of an announcement of the resumption of mail service in Canada prior to the termination of the Amended Offer or any other amendment, the Applicant shall consult with the Director within 12 hours of such announcement, so that the Commission may determine whether it will require the Applicant to mail or cause to be mailed by Conoco the Offering Material to all Ontario Shareholders;
- (d) In the event that (i) the Applicant is able to obtain a list of holders of Shares from Conoco, and (ii) the Commission requires the Applicant to mail or cause to be mailed the Offering Material pursuant to paragraph (c) immediately foregoing, the Applicant shall deposit the Offering Material at Postal Station "A", in the City of Toronto for mailing to all Ontario Shareholders.

4th August, 1981.

"Henry Knowles"

"Harry S. Bray"

IN THE MATTER OF CHARTER OIL COMPANY LIMITED

UPON the application, initially received April 1, 1981 of Charter Oil Company Limited ("Charter") to the Ontario Securities Commission (the "Commission") pursuant to section 79(b)(iii) of the Securities Act, R.S.O. 1980, c.466 (the "Act");

AND WHEREAS Charter is required by the Act and Regulation 478/79, as amended, to prepare annual audited financial statements in accordance with generally accepted accounting principles;

AND WHEREAS it is in accordance with generally accepted accounting principles to calculate depletion expenses using the unit of production method based on current production and proven oil and gas reserves;

AND UPON the consent of Charter;

AND UPON the Commission being of the opinion that to grant this order would not be prejudicial to the public interest and being satisfied in the circumstances of this particular case that there is adequate justification for so doing;

IT IS ORDERED pursuant to section 79(b)(iii) of the Act that Charter's application be denied but Charter be and hereby is permitted to prepare its annual audited financial statement required by section 77 of the Act for its financial year ended July 31, 1980 without having calculated depletion expenses using the unit of production method based on current production and proven oil and gas reserves provided that depletion expenses calculated according to such method be made with reference to its financial year ended July 31, 1980 and that such expenses so calculated be shown in the comparative financial statements required under section 77 of the Act to be filed with reference to its financial year ended July 31, 1981.

2nd September, 1981.

"E. S. Miles"

"H.S. Bray"

IN THE MATTER OF INTERNATIONAL CHEMALLOY CORPORATION

WHEREAS International Chemalloy Corporation ("Chemalloy") has applied to the Ontario Securities Commission (the "Commission") for an order pursuant to section 79(a)(i) of the Securities Act, R.S.O. 1980, c.466 (the "Act") to exempt Chemalloy in part from compliance with section 77(1) of the Act, and in particular, to allow Chemalloy to omit from its annual audited financial statements for its fiscal year ended December 31, 1980 the consolidated statement of changes in financial position as well as the comparative statement of changes in financial position for its fiscal year ended December 31, 1979;

AND WHEREAS the Commission made an order pursuant to section 79(a)(i) of the Act, dated July 17, 1981, to the effect that Chemalloy may omit from its annual audited financial statements for its fiscal year ended December 31, 1980, the comparative consolidated statements;

AND WHEREAS in the said order dated July 17, 1981 the words "comparative consolidated statements" were entered in error;

AND WHEREAS the Commission is satisfied that the making of this order would not be prejudicial to the public interest;

IT IS ORDERED pursuant to section 79(a)(i) of the Act that Chemalloy may omit from its annual audited financial statements for its fiscal year ended December 31, 1980 the consolidated statement of changes in financial position as well as the comparative statement of changes in financial position for its fiscal year ended December 31, 1979.

2nd September, 1981.

"Harry S. Bray"

"E. S. Miles"

CEASE TRADING ORDERS

UNIVERSAL SECTIONS LIMITED

Temporary cease trading order issued September 1, 1981 for failure to make statutory filings. Statutory hearing September 15, 1981, at 10.00 a.m.

OUTSTANDING REQUESTS FOR COMMENTS

(NOTE: All non-confidential submissions are listed below and are available for inspection in the Public Search Area, 7th Floor, 10 Wellesley Street East, Toronto, M7A 2H7).

1. COMMISSION RATE STRUCTURE OF
THE TORONTO STOCK EXCHANGE

Weekly Summary - 28th September, 1979.
Comments closed - 15th November, 1979.

NOTE: Public Hearing set for 5th October, 1981. (see
OSC Bulletin, 22nd May, 1981.)

- Mrs. R. K. Meggeson
- Wright Properties Limited
- The Mutual Life Assurance Company of Canada
- Sceptre Investment Counsel Limited
- Elliot & Page Limited
- The Toronto Stock Exchange - Supplemental
Submission

2. DIRECTOR'S REPORT

Weekly Summary - 7th December, 1979.
Comments closed - 29th February, 1980.

- Peat, Marwick, Mitchell & Co.
- The New Brunswick Telephone Company, Limited
- The Toronto Stock Exchange
- Thorne Riddell & Co.

3. DRAFT REGULATIONS -
EARNINGS FORECAST: REQUEST FOR COMMENTS

Weekly Summary - 18th July, 1980.

Comments closed - 26th September, 1980.

- V. P. Alboini
- Price Waterhouse & Co.
- Shell Canada Limited
- R. H. Kidd
- The Canadian Manufacturers' Association
- Bell Canada
- Osler, Hoskin & Harcourt
- Polysar Limited
- Thorne Riddell & Co.
- Investment Dealers Association of Canada

4. DRAFT NATIONAL POLICY -
CERTIFIED FEATURE FILM PRODUCTIONS
AND CERTIFIED SHORT SUBJECTS

Weekly Summary - 31st July, 1980.

Comments closed - 19th September, 1980.

- Public Archives Canada
- Rosenfeld, Malcolmson, Lampkin & Levine
- Rosenfeld, Malcolmson, Lampkin & Levine
- G. Chalmers Adams
- Astral Bellevue Pathe Ltd.
- Nielsen-Ferns International
- Goodman & Goodman
- Arthur Birnbaum
- Silverscreen International Limited
- Motion Picture Guarantors Inc.
- Canadian Association of Motion Picture Producers
- Havrlant Robinson Bateman
- Canadian Film Development Corporation
- Maud Gagne
- Nesbitt Thomson
- Tele-Metropole International Inc.

5. NON-VOTING SECURITIES:
THE TORONTO STOCK EXCHANGE REQUEST
FOR COMMENTS

Weekly Summary - 10th October, 1980.
Comments closed - 15th December, 1980.

NOTE: Public Hearing set for 28th, 29th, and 30th,
September, 1981.

- MDS Health Group Limited
- The Standard Life Assurance Company
- A.E. Ames & Co. Limited
- Harris Steel Group Inc.
- Extendicare Ltd.
- Nova an Alberta Corporation
- Power Corporation of Canada
- Beutel Goodman & Company Ltd.
- The Canadian Bankers' Association
- Investment Dealers Association of Canada
- Laidlaw Transportation Limited
- Bell Canada
- Chum Limited
- Western Broadcasting Company Ltd.
- Steinberg Inc.

6. DRAFT OSC POLICY 3-47,
"DISTRIBUTIONS" - FROM ONTARIO OUT OF JURISDICTION
- INTO ONTARIO FROM OUT OF
JURISDICTION

Weekly Summary - 10th October, 1980.
Weekly Summary - 5th December, 1980.
Comments closed - 28th February, 1981.

- Hudson Bay Mining and Smelting Co. Limited
- Blake, Cassels & Graydon
- Osler, Hoskin & Harcourt
- Norcen Energy Resources Limited
- Bell Canada
- Inco Limited
- Salter, Apple, Cousland & Kerbel
- Walwyn Stodgell Cochran Murray Limited
- Morlock & Associates
- Lacana Mining Corporation
- Vancouver Stock Exchange

7.

PROPOSED AMENDMENT:
NATIONAL POLICY NO. 9,
MUTUAL FUNDS - FORWARD PRICING,
SALES AND REDEMPTIONS

Weekly Summary - 14th November, 1980.
Comments closed - 5th December, 1980.

NOTE 1 See Notice I to Weekly Summary, Week
Ending 12th December, 1980.

NOTE 2 Refer to Interim O.S.C Policy 3-56,
O.S.C. Bulletin 10 April, 1981.

- Trust Companies Association of Canada (2)
- Hodgson Robertson Laing Limited
- Moss, Lawson & Co. Limited
- The Investment Funds Institute of Canada
- Guardian Trust Company
- Canadian Anaesthetists Mutual Accumulating Fund Limited
- McLean, Budden Limited
- Trust General du Canada
- Investors Syndicate Limited
- Royal Trust
- Fonds Desjardins Actions
- McMaster Meighen
- Services Financiers Fonds Bne Ltee
- F. H. Deacon, Hodgson Inc.

8.

INTERIM OSC POLICY NO. 3-51,
(SUPPLEMENTING UNIFORM ACT POLICY 2-05)
RIGHTS OFFERINGS: STAND-BY UNDERWRITING
OR OPTIONS TO PRINCIPAL SECURITYHOLDERS

Weekly Summary - 21st November, 1980.
Comments closed - 31st January, 1981.

[NOTE: Please refer to Draft Ontario Policy 3-37,
OSC Bulletin, 13th February, 1981].

- Osler, Hoskin & Harcourt

9. INTERIM OSC POLICY NO. 3-52,
BUSINESS AND ASSET COMBINATIONS:
SHAREHOLDERS' APPROVAL: MAJORITY
OF THE MINORITY TEST

Weekly Summary - 21st November, 1980.
Comments closed - 31st January, 1981.

[NOTE: Please refer to Draft Ontario Policy 3-37,
OSC Bulletin, 13th February, 1981].

- Victor P. Alboini

10. OSC INTERIM POLICY NO. 3-53,
JOINT HEARINGS WITH OTHER PROVINCIAL
ADMINISTRATORS - CONDITIONS PRECEDENT
AND COSTS

Weekly Summary - 21st November, 1980.
Comments closed - 16th January, 1981.

11. THE COMMODITY FUTURES ACT, 1978
REVISIONS TO THE COMMODITY
CONCENTRATION FACTORS

Weekly Summary - 5th December, 1980.
Comments closed - 16th January, 1981.

- Midland Doherty Limited

12. INTERIM OSC POLICY 3-54,
PRIVATE PLACEMENT "PRELIMINARY OFFERING
MATERIAL"

Weekly Summary - 5th December, 1980.
Comments closed - 16th January, 1981.

- McCarthy & McCarthy
- Siegal, Fogler

13. DRAFT OSC POLICY "EVERGREEN" (PRELIMINARY)
PROSPECTUSES

Weekly Summary - 18th December, 1980.
Comments closed - 27th February, 1981.

- Dunwoody & Company
- Shell Canada Limited
- Bassel, Sullivan & Leake
- Polysar Limited
- Bell Canada
- Investment Dealers Association of Canada -
Ontario District Council

14. DRAFT ONTARIO POLICY 3-37,

OSC Bulletin - 13th February, 1981.
Comments closed - 3rd April, 1981.

- John M. Stransman
- Ministry of Consumer & Corporate Affairs
- Peat, Marwick, Mitchell & Co.
- Investment Dealers Association of Canada

15. INTERIM ONTARIO POLICY NO. 3-55,
SELF-DIRECTED RRSPs ADMINISTERED BY
BROKERS ON BEHALF OF AUTHORIZED TRUSTEES

OSC Bulletin - 10th April, 1981.
Comments closed - 12th June, 1981.

- Joint submissions of The Toronto Stock Exchange
and the Ontario District Council of the
Investment Dealer's Association of Canada

16. INTERIM OSC POLICY 3-56,
MUTUAL FUNDS: NET ASSET VALUE -
FREQUENCY OF COMPUTATION
(See National Policy 9, Para. 2)

OSC Bulletin - 10th April, 1981.

17. ADDENDUM TO DRAFT ONTARIO POLICY NO. 3-37,
- Re: Private Agreements prior to or during a
Take-over Bid or Issuer Bid.

OSC Bulletin - 24th April, 1981.
Comments closed - 15th May, 1981.

18. THE COMMODITY FUTURES ACT,
PROPOSED AMENDMENTS

OSC Bulletin - 24 April, 1981.
Comments closed - 4 June, 1981.

- Richardson Securities of Canada
- Nesbitt Thomson
- Midland Doherty Limited

19. INTERIM ONTARIO POLICY 3-57
PROSPECTUS FOR REAL ESTATE ORIENTED SECURITIES

OSC Bulletin - 26 June, 1981.
Comments close - 14 August, 1981.

- The Ariadne Group
- Investment Dealers Association of Canada
- Shelter Corporation of Canada Limited

20. OSC INTERIM POLICY 3-58
DISTRIBUTIONS OF NON-VOTING, MULTIPLE VOTING OR
RESTRICTED VOTING EQUITY SHARES:
DISCLOSURE OF POSSIBLE STOCK EXCHANGE LISTING
RESTRICTIONS

UNCOMMON EQUITY SECURITIES: DISCLOSURE

OSC Bulletin - 26 June 1981

[NOTE: Public hearing scheduled to commence
28 October 1981.]

- Chum Limited
- Canadian Cablesystems Limited
- Leigh Instruments Limited
- Teck Corporation
- Finning Tractor & Equipment Company Limited
- Rolland Inc.
- Sulpetro Limited
- Ogilvy, Renault
- Selkirk Communications Limited
- Unicorp Financial Corporation
- Baton Broadcasting Incorporated
- The Molson Companies
- Laidlaw Transportation Ltd.
- Simpson-Sears Limited
- Davies, Ward & Beck
- Fraser & Beatty

21. OSC INTERIM POLICY 3-59
UNCOMMON EQUITY SECURITIES: MORATORIUM

OSC Bulletin - 26 June 1981

- Chum Limited
- Canadian Cablesystems Limited
- Leigh Investments Limited
- Teck Corporation
- Finning Tractor & Equipment Company Limited
- Rolland Inc.
- Sulpetro Limited
- Ogilvy, Renault
- The Molson Companies
- Baton Broadcasting Incorporated
- Unicorp Financial Corporation
- Selkirk Communications Ltd.
- Simpson-Sears Limited
- Davies, Ward & Beck
- Laidlaw Transportation Limited
- Fraser & Beatty

22. REVISION
OSC POLICY 3-22
(ADDENDUM TO UNIFORM ACT POLICY 2-05)

OSC Bulletin - 17 July 1981
Comments close - 25 September 1981

23.

INTERIM OSC POLICY 3-60
PROSPECTUSES -- GENERAL GUIDELINES

OSC Bulletin - 17 July 1981
Comments close - 25 September 1981

24.

INTERIM OSC POLICY 3-61
MUTUAL FUNDS

OSC Bulletin - 17 July 1981
Comments close - 25 September 1981

FOOTNOTE:

The Commission recognizes that it may sometimes be necessary for persons making a written submission in response to a request for comments to request that it be treated as confidential. For example, it may contain sensitive statistical information. However, the Commission hopes that requests for confidentiality will be restricted, for example by including confidential information in a separate submission or schedule and limiting the request to that separate document. Further, the Commission wishes it understood that it will take into account the unwillingness of the person concerned to make a submission available for public debate in determining what weight should be attached to the arguments advanced. Of course, other considerations may apply where the submissions are made in connection with a disciplinary or other proceeding of a quasi-judicial nature.

EXPLANATORY NOTES

Information contained in this section has been summarized from insider reports filed with the Commission.

The name of the issuer is followed by a brief description of the class of security the name of the person or company reporting and his or its relationship to the issuer. If a person has an indirect interest in the securities reported, e.g., through holding companies, affiliate companies, partnerships, trusts or other entities, this is shown. Symbols are used in the column "Transaction and Ownership Symbol" to indicate the nature of ownership i.e., direct or indirect. Similarly the character of transactions is indicated provided the transactions are other than a purchase or sale. (See guide to symbols below):

GUIDE TO SYMBOLS

RELATIONSHIP (appearing after the name reported)

- | | |
|------|---|
| "B" | - Beneficial Owner (direct or indirect) of equity shares of a reporting issuer carrying more than 10% of the voting rights attached to all equity shares of the reporting issuer outstanding. |
| "D" | - Director of principal reporting issuer. |
| "DI" | - Director of an issuer or a reporting issuer which is an insider or subsidiary of the principal reporting issuer. |
| "K" | - Exercises control or direction (direct or indirect) of equity shares of a reporting issuer carrying more than 10% of the voting rights attached to all equity shares of the reporting issuer. |
| "S" | - Senior Officer of principal reporting issuer. |
| "SI" | - Senior Officer of an issuer or a reporting issuer which is an insider or subsidiary of the principal reporting issuer. |

NATURE OF OWNERSHIP

- | | |
|-----------|---|
| No Symbol | - Securities are beneficially owned directly. |
| Symbol #1 | - The reporting person or company beneficially owns and/or has control or direction over securities which are held by a company, associate, partnership, trust or other entity. |

CHARACTER OF TRANSACTION

- | | | | |
|------------|----------------------------|-----|------------------------------|
| No Symbol- | purchase or sale | "M" | - internal |
| "A" | - bequest or inheritance | "Q" | - qualifying shares |
| "C" | - compensation | "R" | - redeemed (called, Matured) |
| "E" | - exchange or conversion | "T" | - stock dividend |
| "F" | - exercise of rights, etc. | "V" | - stock split |
| "G" | - gift | "X" | - exercise of option |
| "IR" | - initial report | "Z" | - distribution |

*Returned for reconciliation purposes.

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
AFTON MINES LTD	Common	N B Keevil Jr*	D Jul/81	I	1000	---
AMERICAN EAGLE PETROLEUMS LTD	Common	Catherine E Keevil	Jul/81		1000	---
ARGUS CORPORATION LIMITED	Common Preferred C	Horace ReKunyk	D I R			31250
ASMERA INC (FORMERLY ASAMERA OIL CORPORATION LTD)	Debentures	Charles B Ross	D Aug/81	T 89		189
			Aug/81	T 270		270
		Keith G Cameron	S Jul/81	\$58850		\$58850
		Terry B Jackson	S Jul/81	\$82000		\$82000
		Michael C Pick	S Jul/81	\$85375		\$85375
		Ronald J Russell	S Jul/81	\$50812		\$50812
		Larry B Thiessen	S Jul/81	\$227625		\$227625
ASSOCIATE INVESTORS LTD	Class A Common	Geoffrey B White	D Jun/81	20		1043
ASSOCIATED PORCUPINE MINES LTD	Common	C A Burns 466307 Ontario Limited	DS --	T		43029
ATLANTIC GOLD MINES LIMITED	Common	John H Morgan	DS I R		1000	199000
		Ian C Miller	DS I R			350001
ATLANTIC RICHFIELD COMPANY	Common	William H Magee Jr	S I R			I
		John W Gendron	S Jun/81		3000	27004
AUTOMOTIVE HARDWARE LIMITED	Class B Common	Ross M Hanbury	D Jul/81		3000	10000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
BAKER INTERNATIONAL CORPORATION	Common	Warren F Kane	DS Jul/81	519		23049
		Charles K Preston	S Jul/81	237		937
		John F Schaefer	S Jul/81	332		710
		Frank L Scott	S Jul/81	236		35636
		James D Woods	DS Jul/81	539		12695
BANK OF MONTREAL	Common	John E Toten	S Aug/81	1000		3202
		Roland Giroux Spouse	D Jul/81 --	180		4180 100
		Richard M Ivey	D Jun/81 M		4500	---
		Ivex Investments Limited	Jun/81 M1	4500		4500
		Allpak Limited	--	1		14142
BELL CANADA	Common	Peter D Waters	S Jul/81	1100		1300
		Joseph V R Cyr Spouse	S Jul/81 --	125		869 500
		John A Roth	SI Jun/81	42		229
		Robert Kenedi	SI Jun/81	33		182
		Harvey S W Goodwin	SI Jun/81	30		852
		John Elliott	SI Jun/81	32		485
		Frank T Chaikowsky	SI Jun/81	23		383
		John S Buchan	SI Jun/81	39		1712

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
BELL CANADA (continued)	Common	Richard D Sloane	S Jul/81	53		139
		Howard M Bender	SI Jun/81	48		1291
		John H Aitchison	SI Jun/81	39		697
BONANZA OIL & GAS LTD	Common	Don V Ingram	D Jul/81	10400		
		Summit Joint Venture	Aug/81	1100		588126
			-- 1			120000
BOREALIS EXPLORATION LIMITED	Common	Rodney T Cox*	S			
		Chana Cox	S			
		Parmentides Group	Jul/81 1		30000	222780
BRINCO LIMITED	Common	Thomas N Dirks	DS Jul/81	10000		10000
		Sage Holdings Limited	Jul/81 1		6200	155300
			Jul/81 1	3100		262323
BRITISH COLUMBIA FOREST PRODUCTS LIMITED	Common	William A Enouen	D I R			---
		David C Davenport	D Aug/81		400	80
BRITISH COLUMBIA RESOURCES INVESTMENT CORPORATION	Common	Lucille M Johnstone	D I R			2500
		Husband	I R I			505
CAE INDUSTRIES LTD	Common	Fred Veuger	S Jun/81 X	3127		14173
		Byron R Murray	S Mar/81 T	3		
			Jun/81 T	3		
			Jul/81 V	1252		1878
		Sydney G Holdsworth	S Jun/81 1	600		
			Jun/81	602		
			Jul/81 V	2404		3606

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CAE INDUSTRIES LTD	Common	Eric A Douglas	S May/81	X 600		
			1981 T	12		
			Jul/81 V	2484		3726
		Floyd A Maybee	S May/81	X 400		
			Jul/81 V	2400		3600
CAMFLO MINES LIMITED	Common	Stuart F Smith	S Jul/81	V 2000		3000
		John B Webster	S Jul/81	V 4000		6000
		C Bruce Burton	S Jun/81	1000		2500
		Hugh Mogensen	DS Jul/81		4000	1500
		Raymond M Chevrrier	S Aug/81	1 735		27071
CANADA DEVELOPMENT CORPORATION	Common	Stock Purchase Plan				
		Anthony Hampson	D Jul/81	T 46		1048
CANADA NORTHWEST LAND LIMITED	Common	Robert G Black	DI I R			---
		D'Arcy D Duncan	DI I R			---
CANADA PERMANENT MORTGAGE CORPORATION	6.75 Pfd Series A Common	Ross F Phillips	B			
		Registered Retirement Savings Plan	I R	1		1000
		Edward F Crease	D Aug/81		1000	---
		B&G Holdings Limited	Aug/81	1	1230	270
		William H Jost	D Jul/81		500	250
		Daniel J Sullivan	S Jul/81		1000	---
		Norman E Whitmore	D Jul/81		7250	250

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CANADA PERMANENT MORTGAGE CORPORATION	Common	Robert Stollery	D Jul/81		2750	250
CANADA TRUSTCO MORTGAGE COMPANY	7 1/4% Series B Pref	Archibald H Kerr	S Aug/81	2210		2210
		Peter C Maurice	S Aug/81	2825		11850
	Common	John H Panabaker	D Jul/81 T	5		519
		Leonard W Stoll	S Aug/81	1075		4874
	7 1/4% Series B Pref	William J Blowers	S Aug/81	1690		6230
		Raymond H Brackstone	S Aug/81	1300		4011
		Mervyn L Lahn	DS Aug/81	10100		17000
		R E Redgwell	S Apr/81 T	3		
			Jul/81 T	2		
			Aug/81 T	675		4641
	Common	Everton D L Miller Wife	S Aug/81 --	1175		5175 364
		Phillip A Heiland	S Aug/81	800		5200
	7 1/4% Series B Pref	James T Lindores	S Jul/81	4		4381
			Jul/81	1433		4940
	Common	Liam S O'Brian	S Aug/81	850		3319
		John T Osbourne	S Aug/81	975		6516
	7 1/4% Series B Pref	John D Richardson	S Aug/81	2500		2500

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CANADIAN FOUNDATION COMPANY LIMITED	Common	National Hees Enterprises Limited Amended	B I R			168564
CANADIAN GENERAL INVESTMENTS LIMITED	Common	Canadian General Investments Ltd	I R			7799
CANADIAN GENERAL ELECTRIC COMPANY LIMITED	Common	Robert Story	S I R			100
CANADIAN IMPERIAL BANK OF COMMERCE	Common	Ronald J Bisset	S Jul/81	200		300
		John D Haig	S Jul/81	300		---
CANADIAN NATURAL RESOURCES LIMITED	Common	John S Davidson	D May/81		700000	50000
		Leland R Norton	SI Aug/81		10000	30000
CANADIAN PACIFIC ENTERPRISES LIMITED	Common	W Earle McLaughlin	D Jul/81	173		14295
CANADIAN PACIFIC LIMITED	Common	Howard J Lang	D Aug/81	113		6144
CANRON INC	Common	Carol Towner	S I R			---
CANUSA ENERGY LTD	Common	David E Butler	D Jul/81		10000	39896
CENTRAL TRUST COMPANY	Class A Common	H Reuben Cohen Brentwood Realty Ltd Standard Investment Ltd	DS Jun/81 --- 1	700		1013884 278873
			---	1		330598

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CENTRAL TRUST COMPANY	Class A Common	Leonard Ellen	DSB Jun/81	700		481
		Leonard Ellen				
		Canada Inc	-- 1			360955
		RRSP	Jul/81 1	975		34167
		Royden J Macburnie	DS Jul/81	80		3979
CESSLAND CORPORATION LIMITED	Common	RRSP	-- 1			802
		Glendon F Eddy	D Jul/81	100		2593
		Kenneth R Eddy	S Jul/81	11		544
		Edward A Scott	S Aug/81	2000		2000
		Charles V Wheeler	DS Jul/81 G	20		9920
COASTAL INTERNATIONAL LTD	Class A	Anton Liechtenstein	S I R			100
CONSOLIDATED NATURAL GAS COMPANY	Common	C Howard Hardesty	D Aug/81	2500		5000
		Lawrence Perlman	S Jul/81	1000		3000
CONTROL DATA CORPORATION	Common	Robert M Price	DS Jun/81	800		26232
		Roger A Baldelli	S I R			1500
		Stephen H Beach	S I R			1004
		Thomas G Kamp	DS May/81 G	600		12435
		William R Keye	DS Jun/81	500		5388
		Paul G Miller	D DISI Jul/81	200		24500
		Roger D Shober	S I R			2916
		Children	I R			300

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CONTROL DATA CORPORATION	Common	Leroy F Stutzman Wife	D May/81 May/81	15 11		2279 666
COPPERFIELDS MINING CORPORATION	Common	Montreal Trust Company Acct. #04-518700 Candou Industries Ltd	B Aug/81	1 7500		447800
		John G Taylor	S I R			1000
CRESTBROOK FOREST INDUSTRIES LTD	Common	Montreal Trust Company Acct. #04-518700 Candou Industries Ltd	B Aug/81	1 219		504670
CYPRUS ANVIL MINING CORPORATION	Common	237644 British Columbia Ltd	B Aug/81	402139		7291383
		James F Olk	S Aug/81 Aug/81 Aug/81	7900	7900 70	---
		Spouse		1		
D'ELDONA GOLD MINES LIMITED	Common	Charles D Cameron	D Aug/81	G	1	5
DALMYS (CANADA) LIMITED	Common C	Philip Perlman*	S Aug/81		12500	375784
		Fred Perlman*	DS Aug/81		12500	375784
DATA CROWN INC	Common	George A Fierheller	D I R			10
DOME CANADA LIMITED	Common	Norman W Martison	D Aug/81	300		1000
DOME PETROLEUM LIMITED	Common	Morris Belkin	DI I R			---

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
DOME PETROLEUM LIMITED	Common	Theodore S Andrew	SI I R			---
		Patrick M Reynolds	DI I R			---
		Thomas H Biggs	SI I R			---
		James F Oik	SI I R			---
		Donovan F Miller	DI I R			---
		Laurel S Pathman	SI I R			---
		Joyce D Willington	SI I R			---
DOMINION DAIRIES LIMITED	Common	D William Morison	D Jun/81 E		228	---
DOMINION STORES LIMITED	Common	Trumbull Warren	D Dec/80	1333		1433
DOMINION TEXTILE INC	Common	Alex R McAslan	S Jul/81	31		2048
		E J Macfarlane	S I R			1000
DOW CHEMICAL COMPANY THE	Common	T J Walker	S I R			6634
		Jointly with wife	I R			134
		Stock Benefit Plan	I R I			1478
DRUMMOND MCCALL INC	Series A	George W Tolhurst*	S ---			4800
		Share Purchase Plan	Jun/81 I	500		1000
DUSTBANE ENTERPRISES LIMITED	Common	John E Brookes	D Jun/81		20000	---
E L FINANCIAL CORPORATION LIMITED	Common	Ruth H Macdonald	D I R			200

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
ECONOMIC INVESTMENT TRUST LIMITED	Common	Henry N R Jackman DS Optima Financial Management Limited	Jul/80	1	1000	
			Oct/80	1	700	1825
ELECTROHOME LIMITED	Class X Class Y	William D McGregor S	I R			9599
		William D McGregor I R	I R			19000
ENSERCH CORPORATION	Common	R H Goodman S Stock Purchase Plan Trust	Jun/81	X	123	1005
			--	1		735
			--	1		157
		Edward J Ledder D	Jun/81		800	
			Jul/81		200	3400
		H H Merritt SI	Jun/81	T	36	
			Jun/81	M	131	2935
		Stock Purchase Plan	Jun/81	M		1224
		Trust	--	1		168
		Carol L Neaves DISI	Jun/81	M	108	1048
		Stock Purchase Plan	--	M		1162
		Other Indirect	--	1		65
		James E Niemeyer S	Jun/81	T	4	440
			Jun/81	M	63	157
		Purchase Plan	Jun/81	M		165
		Trust	--	1		

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
ENSERCH CORPORATION (continued)	Common	W Satterwhite	Jun/81	M	150	5632
		Stock Purchase Plan	Jun/81	M1	150	935
		Trust	--	1		168
ETHYL CORPORATION	Common	R L Ebel	--			720
		Wife	Jun/81	1	100	125
		Other Indirect	--	1		934
		Edmond R Haggar	Jun/81	1500		3000
		Joseph M Lowry	Jun/81		2200	
			Jul/81		400	20864
EXXETER RESOURCES CORP	Common	Roger A Moser	Jun/81	1	6	995
		Ethyl Savings Plan	Jul/81		11	
			Jul/81		24	1397
FATHOM OCEANOLOGY LIMITED	Common	Stephen B Rodi	--			4234
		Savings Plan	Jul/81	1	68	3957
FIRST CALGARY PETROLEUMS LTD	Common	Gerard Lanthier	--			100
		Jim O Empey	Jul/81		1500	101609
FATHOM OCEANOLOGY LIMITED	Common	Joseph M Tannenbaum				
		RRSP	Aug/81	1	8800	18800
		439245 Ontario Ltd	--	1		607306

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
FIRST CITY TRUST COMPANY	Common Preferred	John C Stradwick	D Aug/81	50		50
			Aug/81	2000		4066
FORD MOTOR COMPANY	Common	H J Michael Watson	D Aug/81	50		50
		Sidney Kelly	S Jun/81		100	360
		Wife Savings & Stock Investment Plan	S Aug/81 -- --	1 1	192	168 100
GAZ METROPOLITAIN INC	Common	Roger Charbonneau Amended Laboratoires Anglo-French Inc	--	1		2678
			Jun/81	1000		1001
GENERAL AMERICAN OIL COMPANY OF TEXAS	Common	Trustees of Employees Stock Bonus Plan	Jun/81	2000		2000
			Jul/81	2017	629	364372
		Trustees of Employees Stock Ownership Plan	Jul/81		208	28933
			Jul/81			
GENERAL MOTORS CORPORATION	Common	Curtis Meadows Jr DISI Independent Executor Other Indirect	--			831
			Jul/81	1	12000	100148
		Ellmore C Patterson D Trusts Retirement Plan	--			13541
			Jul/81		1000	500
		James R Rinehart S Savings-Stock Purchase Program	Jul/81	90		500
			Jul/81			90
		James R Rinehart S Savings-Stock Purchase Program	Jul/81	48		---
			Jul/81		48	725

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
GENERAL MOTORS CORPORATION (continued)	Common	John P McCormack Savings Stock Purchase Program	S Jun/81 -- 1		1114	2066 1732
GOLDALE INVESTMENTS LIMITED	Common	Burton Winberg	D Jul/81	1000		10500
GOWGANDA SILVER MINES LIMITED	Common	John M Stirling	DS I R			74900
GRANDUC MINES LIMITED	Common	Leslie J Creery	DS I R			---
HALLIBURTON COMPANY	Common	Thomas H Cruikshank	D Jul/81		600	38230
HARLEQUIN ENTERPRISES LIMITED	Common	William L Heisey Son Other Indirect	DS Jul/81 Jul/81 1 Jul/81 1		102848 1000 127765	--- --- ---
HIRAM WALKER RESOURCES LIMITED	Preferred	Frederick H Newman Newman Invest- ments (St Catharines) Ltd Barbara G Newman Trust of George M Orr Estate	D Aug/81 Aug/81 1 -- 1	150	1000	400 --- 100
HUDSON'S BAY OIL AND GAS COMPANY LIMITED	Common	Norman B Loberg	S Aug/81		200	350
	Common	Patrick M Reynolds	DI I R			---
		Morris Belkin	DI I R			---
		R E Gordon Davis	DISI I R			---
		H Richard Whittall	DI I R			---
HUSKY OIL LTD	Common	R M Kendall Carey	SI I R			---

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
INTERNATIONAL BUSINESS MACHINES CORPORATION	Common	Patricia R Harris	D I R			128
IU INTERNATIONAL CORPORATION	Common	William M Weaver Jr Children	D Jul/81 ---		2400	73922 40352
JAMELAND MINES LIMITED	Common	Bruce Briggs Trust	DS I R	I		50000
JOHN LABATT LIMITED	Common	D William Morison RRSP	D I R			228
KEEPRITE INC	Common	Gerald T Fenwick	S Jun/81		1500	---
KIENA GOLD MINES LIMITED	Common	John F Gillies	SI I R	I		900
KSF CHEMICAL PROCESSES LIMITED	Common	G Douglas Zimmerman	DI I R			500
		R Allan Scoon	DS I R			69040
L K RESOURCES LTD	Class B Common	Richard S Buckland	S Jun/81	2000		7000
LAVA CAP RESOURCES LTD	Common	Ralph J Bachenheimer	D Aug/81	1800		1800
LEASE-RITE CORPORATION	Class A Common	J Michael Toohey J M Toohey Management Services	DB Jul/81	I 133333		133333
LOGISTEC CORP	Common	Michael B Harding	D Aug/81	300		1100
LOUISIANA LAND AND EXPLORATION COMPANY	Common	John G Phillips	DS Jul/81	G	75	9525

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
MACLEAN HUNTER LIMITED	Class X	MacLean Hunter Holdings Limited	B	3515736		
			Feb/81	M		
			Apr/81	T		
			Jul/81	T		6916601
	Class Y		Feb/81	M	3515736	----
	Class X	Robert W Robertson	D	2000		146000
MARSHALL BOSTON IRON MINES LTD Common		Gerald W Hedican Amended	DS		5000	121500
MDS HEALTH GROUP LIMITED	Class A	Deferred Profit Sharing Plan Amended	K			
			Jun/81		4500	
			Jun/81	Z	1190	306544
			Jul/81		800	307854
			Jul/81		778	
			Jun/81		1800	
	Class B					
			Jun/81		25000	314574
			Jul/81	Z	1196	314156
MOLSON COMPANIES LIMITED THE	Class B Common	William R Allen	D	400		500
MONENCO LIMITED	Common	Henry W D Armstrong Spouse	S			
			--			700
			Aug/81	I	250	350
MTS INTERNATIONAL SERVICES INC Common		John E McCutcheon RRSP		10000		61500
			Aug/81			11000
MURPHY OIL COMPANY LTD	Common	Robert G Farquharson	S			82
		Bud McLean	S			1440

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
NATIONAL BANK OF CANADA	Preferred	Antoine Turmel	D Maar/81 E	5000		5000
	Common	Claude Bruneau	D I R			200
NATIONAL PETROLEUM CORPORATION LIMITED	Common	Roman P Derkach	D Dec/80	100		100
NATIONAL TRUST COMPANY LIMITED	Common	James D Gibson	D Jul/81	8		888
NEWFOUNDLAND TELEPHONE COMPANY LIMITED	Common	Edmund F Hunt	S Jul/81 Aug/81	535	535	8
		William H Holden	S Aug/81 Aug/81	242	240	5
NORBASKA MINES LIMITED	Common	Hugh T Borthwick	DS Jul/81	10000		102500
NORCEN ENERGY RESOURCES LTD	Common	Arsene Lessard Savings & Investment Plan	SI June/81 I		65	89
NORTH AMERICAN COMBUSTION TECHNOLOGY CORPORATION	Common	Stephen J Headford	DS Aug/81		5000	70000
NU-WEST GROUP LIMITED	Class "A"	John C Hall	D Jul/81	5000		5000
O P I LTD	Common	Perry S Bower	D Jul/81		1000	59000
		Larry D Gorrell Jointly Held	S I R			300
OCCIDENTAL PETROLEUM CORPORATION	Common	Alexander Crossan	S I R			---
OLD CANADA INVESTMENT CORP	Common	John R Levitt	D Jul/81 T	200		10884
OMEGA HYDROCARBONS LTD	Common	Dennis E Hall Amended	D I R			58500

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
PAGURIAN CORPORATION LIMITED, THE	Common	Michael F B Nesbitt D Montrose Investment Co Ltd	Jun/81	1		---
			Jul/81	1	177200	177200
PANCANADIAN PETROLEUM LIMITED	Common	Ian D Sinclair	Aug/81	300		1000
PARQUET RESOURCES INC	Common	Robert D Plexman	Aug/81		1700	2300
PHILLIPS PETROLEUM COMPANY	Common	Oliver W Armstrong S Wife	-			2441
			Jun/81	GI	84	841
PLACER DEVELOPMENT LIMITED	Common	M N Chetkovich	Jun/81			1000
			Jun/81	G	400	
PROVIGO INC	Common	Robert Needham S Stock Purchase Plan	-			9000
			1981	1	97	133
Q M G HOLDINGS INC	Common	Dignus W Zandee	1981			286
			1981		81	
QUAKER OATS COMPANY, THE	Common	Roman Shklanka	1981			2286
			1981		121	
QUARTET ENERGY RESOURCES LTD	Common	M. Brian Mulroney	Jul/81			585
			Aug/81		545	
QUEBEC MATTAGAMI MINES	Common	Rose Ada Palmer	Aug/81			3000
			Aug/81		1500	
QUEBEC TELEPHONE	Common	John H Calhoun	I R			3
			I R			---
READER'S DIGEST ASSOCIATION (CANADA) LTD, THE	Common	Christopher K G Rowe	D I R			4000
			D I R		2500	
ROSE ADAM PALMER	Common	David J Markle	Jul/81			230
			Jul/81			1000
ROSE ADAM PALMER	Common	Roger Charbonneau S Laboratories Anglo-French Inc	-			230
			Jul/81	I	500	
ROSE ADAM PALMER	Common	Bruce G Woodcock	Aug/81			10
			Aug/81		200	

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
REED STENHOUSE COMPANIES LIMITED	Common "A"	Donald W Gordon Stock Purchase Plan	S I R I R	1		4134 2500
		Robert J Barbary	S Jun/81	114		9722
		Brian G Sanders Stock Purchase Plan	S I R I R	1		1768 2500
		Gilles Ferland	S Jul/81		18	2
REITMANS (CANADA) LIMITED	Common					
REVELSTOKE COMPANIES LTD	Common	Kitson Vincent	DI Jun/81	10000		10000
ROCKWELL INTERNATIONAL CORPORATION	Common	W F Rockwell, Jr Associates	D - Jun/81 Jul/81	1 1	15000 14064	187603 1140737 1126673
		Jerome A Earley	S Aug/81		3487	12300
		Edward A Galvin	S I R			4282
SCEPTRE RESOURCES LIMITED	Common					
SCOTT'S HOSPITALITY INC	Common	F Ronald Graham Graymont Limited	D - Jul/81 Jul/81	1 1	5448	2240896 2230000
		Class "C"			5448	
		James B Simpson	S Jul/81	1000		2000
SEABOARD LIFE INSURANCE COMPANY	Common	William C Graham Graymont Limited	D Jul/81 Jul/81	1 1	5448	2240896 2230000
		Class "C"			5448	
		Peter A Allard RRSP	D - Aug/81	1 1	600	178 1930 200
		PAC Investments Ltd	-	1		
SHELL OIL COMPANY	Common	James H DeNike Nominee	S - Jun/81	T1	3	240 76

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
SHEPHERD PRODUCTS LTD	Common	Barry N Shapiro RRSP	Aug/81	1	500	500
STANDARD INDUSTRIES LTD	Preferred	John D Redfern	Aug/81	T	2	8
SUNGATE RESOURCES LTD	Common	John E Millard	I R			---
SUPERIOR OIL COMPANY, THE	Common	Samuel A Christopher	Jun/81	10		212
			Jun/81	X	202	
		Edward O Gaylord	Jun/81	V	8000	10000
TEXASGULF INC	Common	Donald G Campbell	Jun/81	T	27	4158
			Jul/81		4000	158
			Aug/81		158	---
		Leo J Miller	Jun/81		4000	6600
		James A Campbell	I R			4400
		John W Hall Jr	Jun/81		1750	3000
		Wife	-	I		4000
		Frank R Moulton Jr	Jul/81	C	333	---
		Private Transaction	Jul/81		15395	---
		Alexander F Giacco	Jul/81		1414	---
TIBER RESOURCES LTD	Common	George R Buchanan	Jul/81		1500	3350
		Brian A Skinner	Jun/81	400		172600
			Jul/81	600		173200
TRACKER RESOURCES INC	Common	Raymond Phillips	Aug/81		10000	1
	Warrants		Aug/81		5000	---

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
TRANS-WESTERN EXPLORATION INC	Preferred	Nicor Inc	B Jun/81		12500	112500
TRANSPACIFIC ASBESTOS INC (FORMERLY WOODSREEF MINERALS LTD.)	Common	Michael Clay	DS Jul/81	X 19999		68464
TRIMAC LIMITED	Debentures	Harry Greenberg	D I R			30000
			I R			\$255000
		Frank M Late	D I R			300
TRIZEC CORPORATION	Common	John M Arnold	S I R		500	10400
			Jul/81			9900
		James J Sherbut Monray	S - Aug/81	1 10000		410 47000
ULTRAMAR COMPANY LIMITED	Common	Arne Uillman Hansen	S Jun/81	X 1200		
			Jul/81		1200	
			Jul/81	X 800		
			Jul/81		800	4000
		Monray Co	- 1			6000
UNICORP FINANCIAL CORPORATION	Warrants	L D Woodruff*	DISI Aug/81	22000	20000	2000
		P Irving Langill	D Jul/81		4900	12000
UNION OIL COMPANY OF CANADA LIMITED	Common	Russell M Briggs Employees' Incentive Plan	S Jul/81		1925	---
			Jul/81	1	591	---
		Richard G Byers Employees' Incentive Plan	DS Jul/81		5750	---
			Jul/81	1	747	---
		Eric J Connor	S Jul/81		3950	---

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
UNION OIL COMPANY OF CANADA LIMITED (Continued)	Common	Employees' Incentive Plan	Jul/81	1	849	---
		Clement W Dumett Jr DS Employees' Incentive Plan	Jul/81		9700	---
			Jul/81	1	1830	---
		Donald B Jarrett S Employees' Incentive Plan	Jul/81		1915	---
			Jul/81	1	1370	---
		Gerald L Knowlton D	Jul/81		300	---
		Douglas B Leitch S Employees' Incentive Plan	Jul/81		4650	---
			Jul/81	1	1022	---
		John L MacLagan DS Employees' Incentive Plan	Jul/81		11250	---
			Jul/81	1	885	---
UNITED CANSO OIL & GAS LTD	Common	John J Bohnet S Employees' Incentive Plan	Jul/81		6980	---
			Jul/81	1	695	---
		Thomas J Jacobsen DS	Jul/81	F	30000	30000
		Drummond C Bell III S	I R			204
		George G Thomson D	I R			200
		Les A Berthelsen S	Jul/81		8000	25500
		James E Graham Amended DS	Jun/81		927	2432
UNITED STATES STEEL CORPORATION	Common					
VICTORIA AND GREY TRUST COMPANY	Common "A"					
VILLACENTRES LIMITED	Common					
VS SERVICES LTD	Common					

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
WASABI RESOURCES LTD	Common	Onaping Resources Limited	B I R			850000
		A G Matthew Carangeo Limited	DS I R	1		80000
		William M Connor	S I R			5000
		Hugh D Harbinson	S I R			78500
		Theresa Mather	I R			2450
WESTMILLS CARPETS LIMITED	Common		I R			2450
	Preferred		I R			160
	13% Debentures		I R			\$690
	Common	Stewart McLellan	D I R			2450
	Preferred		I R			160
WOODWARD STORES LIMITED	13% Debentures		I R			\$690
	Class "B"	Charles R Clarridge	D Jun/81	V 5200		10400
	Class "A"	Harold L Joy	D Jun/81	V 1200		2400
		Stanley A Milner	D I R Jun/81	V 1		1
		John O Moxon	D Jun/81	V 100		200
WORLDWIDE ENERGY CORPORATION	Common	Larry D Van Cleave	S I R			2666
	Common	Hans H Estin	D Aug/81	3000		20010
YELLOWKNIFE BEAR RESOURCES, INC						

NOTICES OF EXEMPT FINANCINGS

REPORTS OF TRADES SUBMITTED ON FORM 20 (AND ITS PREDECESSOR)
UNDER THE SECURITIES ACT 1978

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Aug. 17, 1981	Harvey Capp	Tanglewood Petroleum \$ Corp. - common shares	.30	30,000 shrs
Aug. 17, 1981	Stephen Shefsky	"	.30	30,000 "
Aug. 17, 1981	Sam Beallor	"	.30	30,000 "
Aug. 17, 1981	Gordon Cappuccitti	"	.30	30,000 "
Aug. 17, 1981	Sam Firestone	"	.30	40,000 "
Aug. 17, 1981	Barry Appleby	"	.30	40,000 "
Aug. 17, 1981	Kiril Glavanov	"	.30	30,000 "
Aug. 17, 1981	Theodore Sherman	"	.30	30,000 "
Aug. 17, 1981	John Rosart	"	.30	80,000 "
Aug. 17, 1981	John Switzer	"	.30	40,000 "
Aug. 17, 1981	Gerald Shefsky	"	.30	40,000 "
Aug. 17, 1981	Maurice Stekel	"	.30	30,000 "
Aug. 17, 1981	Vlad Romanchyck	"	.30	20,000 "
Aug. 17, 1981	Bruce Spector	"	.30	30,000 "
Aug. 18, 1981		Citicorp Canada Ltd. medium-term note due February 18, 1983	1,000,000.00	\$ 1,000,000.00
Aug. 18, 1981		"	4,000,000.00	4,000,000.00
July 1, 1981	Royal Trust Corp. of Canada-a/c 197803	R T Euro Pac Fund - Units	10.13	197,464 units
June 5, 1981	C.B.C. Pension Board of Trustees	Phoenix Automation, Inc. - common shares plus the option for a further 250,000 shares at \$1.00 per share to be exercised on or before June 5, 1984	1.00	250,000 shrs

FORM 21 (AND ITS PREDECESSOR) - RESALE OF SECURITIES

<u>Date of Resale</u>	<u>Date of Original Purchase</u>	<u>Seller</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Aug. 20, 1981	May 22, 1979	Bantor Company	Bow Valley Ind. \$ Ltd. common shares	8.67	20,000 shrs
Aug. 5, 1981	May 22, 1979	"	"	8.67	25,000 "
Aug. 12, 1981	May 22, 1979	"	"	8.67	21,000 "
Aug. 13, 1981	May 22, 1979	"	"	8.67	13,200 "
Aug. 14, 1981	May 22, 1979	"	"	8.67	10,900 "
Aug. 17, 1981	May 22, 1979	"	"	8.67	1,400 "

NOTICE OF INTENTION TO DISTRIBUTE SECURITIES PURSUANT TO SUBSECTION 7 OF SECTION 71

<u>Seller</u>	<u>Security</u>	<u>Amount</u>
Wendy P. Trust	Dylex Limited - class "A" preferred shares	4,900 shrs
Lynn P. Trust	"	4,900 "
David P. Trust	"	4,900 "
Sandra P. Trust	"	7,400 "
Richard P. Trust	"	7,400 "
Dr. Joseph A. Peller	Andres Wines Ltd. - class "A" shares	22,000 "
Crowborough Investment Ltd.	Spar Aerospace Limited - common shares	19,000 "
S. Kay	United Reef Petroleum - common shares	27,450 "
J. H. Hirshhorn	"	126,900 "

TAKE-OVER BIDS, ISSUER BIDS

BRASCADE RESOURCES INC.
(OFFEROR)

NORANDA MINES LIMITED
(OFFEREE)

NOTICE OF INTENTION - FORM 35 - ASAMERA INC.

CONTINUOUS DISCLOSURE FILINGS

MATERIAL RECEIVED PURSUANT TO THE ACT & REGULATIONS

A	ANNUAL FINANCIAL STATEMENTS
B	INFORMATION CIRCULAR (FORM 30) OR REPORT (FORM 28)
C	INTERIM FINANCIAL STATEMENTS
D	TAKE-OVER, ISSUER BIDS AND RELATED MATERIAL
E	OTHER REPORTS
F	REPORT OF MATERIAL CHANGE (FORM 27)

ABITIBI-PRICE INC.
ADANAC MINING AND EXPLORATION LTD.
ADVOCATE MINES LIMITED
AGF MANAGEMENT LIMITED
AGRA INDUSTRIES LIMITED
ALBANY COURT APARTMENTS INC.
ALBERTA ENERGY COMPANY LTD.
ALCAN ALUMINUM LIMITED
ALGOMA STEEL CORPORATION LIMITED, THE
ALL-CANADIAN FUND 4000
ALL-CANADIAN COMPOUND FUND
ALL-CANADIAN DIVIDEND FUND
ALL-CANADIAN NORTHERN ENERGY FUND
ALL-CANADIAN REVENUE GROWTH FUND
ALUMINUM COMPANY OF CANADA LTD.
AMCA INTERNATIONAL LTD.
AMERACRUDE INTERNATIONAL INC.
AMERADA HESS CORPORATION
AMERICAN EAGLE PETROLEUMS LIMITED
AMERICAN QUASAR PETROLEUM CO.
ARBOR CAPITAL RESOURCES INC.
ARJON GOLD MINES LIMITED
ASAMERA INC.
B.C. SUGAR REFINERY LIMITED
BACHELOR LAKE GOLD MINES INC.
BANK OF MONTREAL
BANK OF NOVA SCOTIA
BARNWELL INDUSTRIES INC.
BAXTER RESOURCES CORPORATION
BEARCAT EXPLORATIONS LTD.
BELDING-CORTICELLI INC.
BELL CANADA
BIG LONG LAC GOLD MINING COMPANY LIMITED
BLACK PHOTO CORPORATION LIMITED
BOMAC BATTEN LIMITED
BORDER CHEMICAL COMPANY LIMITED
BOREALIS EXPLORATION LIMITED
BOW VALLEY INDUSTRIES LTD.
BOW VALLEY RESOURCE SERVICES LTD.
BRAMALEA LIMITED

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BRASCAN LIMITED	C
BRENDA MINES LIMITED	E
BRINCO 81 ENERGY PROGRAM	C
BRINCO LIMITED	E
BRITISH COLUMBIA PACKERS LIMITED	C
C & C YACHTS LIMITED	C
C C L INDUSTRIES INC.	C
CADILLAC FAIRVIEW CORPORATION LIMITED, THE	C E
CALVERT-DALE ESTATES LIMITED	E
CAMPEAU CORPORATION	C E
CANADA MALTING CO. LIMITED	C
CANADA PERMANENT INCOME INVESTMENTS	C
CANADEX RESOURCES LIMITED	A B C
CANADIAN ARROW MINES LIMITED	C
CANADIAN HYDROCARBONS LIMITED	C
CANADIAN MANOIR INDUSTRIES LIMITED	C
CANADIAN MARCONI COMPANY	A
CANADIAN NATURAL RESOURCES LIMITED	E
CANADIAN PACIFIC LIMITED	C
CANADIAN RESERVE OIL & GAS LTD.	C
CANDEL OIL LTD.	C
CANE CONSOLIDATED EXPLORATIONS LIMITED	C
CANRON INC.	C E
CANSHORE EXPLORATION LIMITED	C
CARLING COPPER MINES LIMITED	C
CARMA DEVELOPERS LTD.	C
CARUSCAN CORPORATION	E
CASTLEBAR SILVER & COBALT MINES LIMITED	C
CEDAR RIDGE EXPLORATIONS LTD.	E
CENTRAL PATRICIA LIMITED	C
CENTURY ENERGY CORP. LTD.	C
CERES RESOURCES LIMITED	C E
CHANCE MINING AND EXPLORATION COMPANY LIMITED	C
CHEROKEE RESOURCES LIMITED	A B C
CHIEFTAIN DEVELOPMENT CO. LTD.	E
CHIMO GOLD MINES LTD.	C
CHROMASCO LIMITED	C
CHUM LIMITED	E
CINCINNATI RESOURCES INC.	C E
CLAIBORNE INDUSTRIES LIMITED	C
CLARION PETROLEUMS LTD.	E
CLAVOS PORCUPINE MINES LIMITED	C
COASTAL INTERNATIONAL LTD.	C
COCHRANE-DUNLOP LIMITED	C
COCKFIELD BROWN INC.	C E
COIN LAKE GOLD MINES LTD.	C
COLES BOOK STORES LIMITED	C
COMBINED INTERNATIONAL CORPORATION	C
COMBINED LARDER MINES, LIMITED, THE	C
COMICS	C
COMINCO LTD.	E
COMMERCIAL FINANCE CORPORATION LIMITED	C
COMSTOCK KENO MINES LTD.	C
CONSOLIDATED CANADIAN FARADAY LIMITED	C
CONSOLIDATED COMPUTER INC.	C
CONTINENTAL MORTGAGE FUND	C
CONTROL DATA CORPORATION	C

CONWEST EXPLORATION COMPANY LIMITED	C
COPCONDA RESOURCES INC.	F
CORPORATION FALCONBRIDGE COPPER	E
CRESTBROOK FOREST INDUSTRIES LTD.	C
CROWN ZELLERBACH CANADA LIMITED	C
CULLATON LAKE GOLD MINES LTD.	C
CZAR RESOURCES LTD.	E
D'ELDONA GOLD MINES LTD.	E
D. H. HOWDEN & CO. LIMITED	C
DALMYS (CANADA) LIMITED	B
DAON DEVELOPMENT CORPORATION	E
DATATECH SYSTEMS LTD.	C
DAVIS DISTRIBUTING LIMITED	C
DEB CANADIAN EXPLORATIONS 1977	C
DEB CANADIAN EXPLORATIONS 1978	C
DEJOUR MINES LIMITED	C
DICKENSON MINES LTD.	E
DIRTY TRICKS	C
DISTRICT TRUST COMPANY	E
DIXIE OIL & GAS CORPORATION	C
DOMINION AND ANGLO INVESTMENT CORPORATION LIMITED	E
DOMINION DAIRIES LIMITED	C
DOMINION-SCOTTISH INVESTMENTS LTD.	C
DOMTAR INC.	E
DOVER INDUSTRIES LTD.	C
DOW CHEMICAL COMPANY, THE	C
DUBUISSON EXPLORATIONS LIMITED	A C E
DUNRAINE MINES LTD.	C
DUPONT CANADA INC.	C
DYLEX LIMITED	E
DYNAMIC AMERICAN FUND	C
DYNAMIC FUND OF CANADA LTD.	C
DYNAMIC INCOME FUND	C
EATON/BAY COMMONWEALTH FUND LTD.	C
EATON/BAY DIVIDEND FUND LTD.	C
EATON/BAY GROWTH FUND LTD.	C
EATON/BAY INCOME FUND	C
EATON/BAY INTERNATIONAL FUND LTD.	C
EATON/BAY MORTGAGE FUND	C
EATON/BAY VIKING FUND LIMITED	C
ECHO BAY MINES LTD.	E
ELKS STORES LIMITED	E
ENERGY LAND ACQUISITION PROGRAM NO.1	C
ENEX RESOURCES LIMITED	C
ETHYL CORPORATION	C E
FALCONBRIDGE NICKEL MINES LIMITED	E
FIDELITY TRUST COMPANY, THE	C
FISCAL INVESTMENTS LIMITED	C
FISCON INVESTMENT FUND	C
FRIGHT, THE	C
G & B AUTOMATED EQUIPMENT LIMITED	C
G & H STEEL INDUSTRIES LIMITED	C E
G.S.W. INC.	E
GALTACO INC.	E
GANE PETROLEUM CORPORATION LTD.	E
GAS	C
GDV. INC.	C

GENERAL LEASEHOLDS LIMITED	C
GENERAL MOTORS CORPORATION	C
GENSTAR CORP.	C
GESCO DISTRIBUTING LTD.	C
GIBRALTAR MINES LIMITED	C
GOLDEN BOUNTY MINING COMPANY LIMITED	B
GOLDEN HARKER EXPLORATIONS LIMITED	B C
GOLDEN HOPE MINES LIMITED	C
GOLDEX MINES LIMITED	C
GOWGANDA SILVER MINES LIMITED	E
GRANDAD RESOURCES LIMITED	C
GREAT LAKES FOREST PRODUCTS LIMITED	C
GREAT PACIFIC INDUSTRIES INC.	F
GREAT NORTHERN FINANCIAL CORPORATION	C E
GREYHOUND COMPUTER OF CANADA LTD.	C
GREYHOUND LINES OF CANADA LTD.	C
GROWTH EQUITY FUND LIMITED	C
H. PAULIN & CO., LIMITED	C
HARRIS STEEL GROUP INC.	C
HARVEY WOODS LIMITED	E
HEMERDON MINING & SMELTING LIMITED	E
H.O. FINANCIAL LIMITED	E
HIRAM WALKER RESOURCES LTD.	C E
HOLLINGER ARGUS LTD.	C
HUDSON'S BAY COMPANY	E
HUDSON'S BAY OIL AND GAS COMPANY LIMITED	E
HUNTER DOUGLAS CANADA LIMITED	C
HURONIA TRUST COMPANY	C
HYDROCARBON 1979 EXPLORATION PROGRAM	C
I.U. INTERNATIONAL CORPORATION	C
IMPERIAL OIL LIMITED	E
INDEPENDENT MINING CORPORATION LIMITED	C
INDUSTRIAL AMERICAN FUND	E
INDUSTRIAL EQUITY FUND LIMITED	E
INDUSTRIAL GROWTH FUND	E
INDUSTRIAL INCOME FUND	E
INDUSTRIAL PENSION FUND	E
INLAND NATURAL GAS CO. LTD.	E
INTER-CITY GAS CORPORATION	E
INTERNATIONAL BUSINESS MACHINES CORPORATION	C
INTERNATIONAL ENERGY FUND	C
INTERNATIONAL GROWTH FUND	C
INTERNATIONAL INCOME FUND	C
INTERNATIONAL MOGUL MINES LIMITED	C
INTERNATIONAL THOMSON ORGANISATION LIMITED	C E
INTERPUBLIC GROUP OF COMPANIES INC., THE	A B C
IRON BAY TRUST, THE	C
IVACO INC.	C E
JAMELAND MINES LIMITED	B E
JAMESTOWN EXPLORATIONS INC.	F
JOFFRE RESOURCES LTD.	E
JOHN LABATT LIMITED	E
JONPOL EXPLORATIONS LIMITED	B C
JOUTEL RESOURCES LTD.	C
K-TEL INTERNATIONAL, INC.	E
KAPUSKASING RESOURCES LTD.	E
KEEPRITE INC.	C

KELSEY-HAYES CANADA LIMITED	C
KENARTHA OIL AND GAS COMPANY LIMITED	B
KEYSTONE CUSTODIAN FUND SERIES S-4	A
L.K. RESOURCES LTD.	C E
LA VERENDRYE MANAGEMENT CORPORATION	C
LACANA MINING CORPORATION	C E
LAIDLAW TRANSPORTATION LIMITED	E
LANDBANK RESOURCES 79-80 PROGRAM	C
LANDBANK RESOURCES 1980 PROGRAM	C
LEIGH INSTRUMENTS LIMITED	E
LEON'S FURNITURE LIMITED	E
LES MINES EST-MALARTIC LTEE	C
LIBERIAN IRON ORE LIMITED	C E
LITTLE LONG LAC GOLD MINES LIMITED	C
LOCHIEL EXPLORATION LTD.	E
LONGFORD EQUIPMENT INTERNATIONAL LIMITED	C
LORMAC EXPLORATIONS LIMITED	C
LUMONICS INC.	E
LYNCO RESOURCES INC.	C
LYNDEX EXPLORATIONS LIMITED	C
M.T.S. INTERNATIONAL SERVICES INCORPORATED	E
MACKENZIE FINANCIAL CORPORATION	A B C E
MAHER INC.	E
MANITOU-BARVUE MINES LIMITED	C
MAPLEX MANAGEMENT & HOLDINGS LIMITED	E
MARKEL FINANCIAL HOLDINGS LIMITED	C
MASSEY-FERGUSON LIMITED	E
MAYNARD ENERGY INC.	C
McADAM MINING CORPORATION LIMITED	E
McFINLEY MINES LIMITED	C
McGRAW-HILL RYERSON LIMITED	C
MEADOWVALE COURT	A
MERCANTILE BANK OF CANADA, THE	E
MERLAND EXPLORATIONS LIMITED	E
METALORE RESOURCES LIMITED	C
MICC INVESTMENTS LIMITED	C
MIDDLE RIVER MINES LIMITED	A B
MINORCO CANADA LTD.	E
MISTANGO RIVER MINES LIMITED	A E
MITEL CORPORATION	E
MOBIL CORPORATION	C E
MOLSON COMPANIES LIMITED, THE	E
MONARCH INVESTMENTS LIMITED	C
MONARCH WEAR LTD.	E
MONENCO LIMITED	C
MOSSLAW GROWTH FUND LIMITED	C
MOTORCADE INDUSTRIES LIMITED	C
MPG INVESTMENT CORPORATION LIMITED	E
MSZ RESOURCES LTD.	C E
MUSCOCHO EXPLORATIONS LIMITED	C
N B COOK CORPORATION LTD.	E
N.M. DAVIS CORPORATION LIMITED	C
NASHUA CORPORATION	C
NATALMA MINES LIMITED	C
NATIONAL BANK OF CANADA	E
NATURAL RESOURCES GROWTH FUND LTD.	C
NBU MINES LTD.	C

NEARTIC RESOURCES INC.	C
NEOMAR RESOURCES LIMITED	C
NEW BIDLAMAQUE GOLD MINES LTD.	C
NEWFOUNDLAND LIGHT & POWER CO. LIMITED	C
NORANDA MINES LIMITED	F
NORCEN ENERGY RESOURCES LIMITED	C
NORDAIR LTD.	E
NORTH CANADIAN OILS LIMITED	C
NORTHERN AND CENTRAL GAS CORPORATION LIMITED	C
NORTHERN TELECOM LIMITED	E C
NORTHERN TELEPHONE LIMITED	C
NOVA, AN ALBERTA CORPORATION	C
NOWSCO WELL SERVICE LTD.	E
NU-WEST GROUP LIMITED	E
NUINSCO RESOURCES LTD.	C
NUMAC OIL & GAS LTD.	C
O'BRIEN ENERGY & RESOURCES LIMITED	C
OAKWOOD PETROLEUMS LTD.	D E
OCELOT INDUSTRIES LIMITED	E
OMEGA HYDROCARBONS LTD.	D E C
ONAPING RESOURCES LIMITED	C
OSISKO LAKE MINES LIMITED	C
PAGE PETROLEUM LTD.	E
PAGEBROOK MULTIHOLDINGS PARTNERSHIP	C
PALOMA PETROLEUM LTD.	E
PANCANADIAN PETROLEUM LTD.	E
PANGO GOLD MINES LIMITED	C
PANHANDLE EASTERN PIPE LINE COMPANY	C E
PAT GOLD MINES LIMITED	C
PATINO, N.V.	B
PCL INDUSTRIES LIMITED	C
PE BEN OILFIELD SERVICES LTD.	E
PEMBINA PIPELINE LTD.	E
PENNINGTON'S STORES LIMITED	E
PETRO-SUN INC.	C
PETROL OIL & GAS COMPANY LIMITED, THE	E F
PETROLANTIC RESOURCES INC.	C
PETROTECH, INC.	C E
PHILLIPS PETROLEUM COMPANY	C
PHOENIX CANADA OIL COMPANY LIMITED	E
PINE POINT MINES LIMITED	C
PINETREE EXPLORATIONS LIMITED	E
PINTO MALARTIC GOLD MINES LIMITED	C
POP SHOPPES INTERNATIONAL INC.	F
POPULAR INDUSTRIES LIMITED	E
PRADO EXPLORATIONS LIMITED	C
PRAIRIE OIL ROYALTIES COMPANY LIMITED	C E
PRECAMBRIAN SHIELD RESOURCES LIMITED	E
PRINCETON GOLD MINES LIMITED	C
PRONTO EXPLORATIONS LIMITED	C
PUNTERS GOLD EXPLORATIONS INCORPORATED	C
QUAKER OATS COMPANY, THE	E
QUEBEC GOLD BELT MINES LIMITED	E
QUEBEC STURGEON RIVER MINES LIMITED	C
QUEENSTON GOLD MINES LIMITED	C
RAM PETROLEUMS LIMITED	C
REAL TIME DATAPRO LTD.	B
REDCON GOLD MINES LIMITED	C

REDLAW INDUSTRIES INC.	C
RENAISSANCE 1980 LIMITED PARTNERSHIP	C E
REVENUE PROPERTIES COMPANY LIMITED	E
REXWOOD PRODUCTS LIMITED	C
REYNOLDS ALUMINUM COMPANY OF CANADA LTD.	E
ROCKWELL INTERNATIONAL CORPORATION	C
ROGERS CABLESYSTEMS INC.	E
ROLLAND INC.	C
ROMAN CORPORATION LIMITED	E
ROMFIELD BUILDING CORPORATION LIMITED	C
RONYX CORPORATION LIMITED	C E
ROXMARK MINES LIMITED	C
ROYFUND EQUITY LTD.	E
ROYFUND INCOME TRUST	E
RUPERTSLAND RESOURCES CO. LTD.	E
RUSSELL INDUSTRIES LIMITED	C
S. B. McLAUGHLIN ASSOCIATES LIMITED	C E
S.I.S. EXPLORATIONS CORPORATION	C E
SANRETA OILS & GAS RESOURCES LTD.	E F
SANTA'S VILLAGE LIMITED	C
SCEPTRE RESOURCES LIMITED	E
SCINTILORE EXPLORATIONS LIMITED	C
SCINTREX LIMITED	E
SCOTT'S HOSPITALITY INC.	E
SCOTTISH & YORK HOLDINGS LIMITED	E
SCUDDER SPECIAL FUND INC.	E
SEAGRAM COMPANY LTD., THE	E
SEAWAY MULTI-CORP. LIMITED	C
SIFTON PROPERTIES LIMITED	C
SILKNIT LIMITED	C
SIMPSONS-SEARS LIMITED	E
SKLAR MANUFACTURING LIMITED	C
SOGEPET LIMITED	C
SOLO RESOURCES & ENERGY INC.	C
SOMERVILLE BELKIN INDUSTRIES LIMITED	C
SPAR AEROSPACE LIMITED	C
SPARTON MINING AND DEVELOPMENT LIMITED	C
ST. JOE MINERALS CORPORATION	E
ST. LAWRENCE CEMENT INC.	E
STANDARD BRANDS INCORPORATED	C
STANDARD BROADCASTING CORPORATION LIMITED	C
STANFORD RESOURCES LIMITED	E
STERISYSTEMS LTD.	C
SULPETRO LIMITED	E
SUMACH RESOURCES INC.	C
SUNCOR INC.	E
SUPERIOR OIL COMPANY, THE	C
SYCON ENERGY CORPORATION	C
SYDNEY DEVELOPMENT CORPORATION	A B C
T.G. BRIGHT & CO. LIMITED	C
TALCORP ASSOCIATES LIMITED	C E
TARA EXPLORATION AND DEVELOPMENT COMPANY LIMITED	C
TECTONIC ENERGY CORPORATION	E
TEMAGAMI OIL & GAS LTD.	E
TEN THOUSAND DAY WAR, THE	E
TENNECO INC.	C E
TEXAS INTERNATIONAL COMPANY	C

TEXCAN ENERGY & RESOURCES INC.	C
TIMKEN COMPANY, THE	C
TOMBILL MINES LIMITED	E
TOROMONT INDUSTRIES LTD.	C
TORONTO CREDITS LIMITED	C
TORONTO DOMINION MORTGAGE FUND	C E
TORONTO-DOMINION BANK	E
TOTAL PETROLEUM (NORTH AMERICA) LTD.	F
TRADEX INVESTMENTS FUND LIMITED	C
TRANS CANADA GLASS LTD.	C
TRANS MOUNTAIN PIPE LINE COMPANY LIMITED	C
TRANS-CANADA SHARES SERIES "A" (NEW)	C
TRANS-WESTERN EXPLORATION, INC.	E
TRANSALTA UTILITIES CORPORATION	C E
TRIMAC LIMITED	C
TRINITY RESOURCES LTD.	C E
TRIZEC CORPORATION LTD.	E
TRU-WALL GROUP LIMITED	A B
TUNDRA GOLD MINES LIMITED	C
TURBO RESOURCES LIMITED	E
TWIN RICHFIELD OILS LTD.	E
TYRANITE MINES, LIMITED	C
U A P INC.	C
ULTRAMAR COMPANY LIMITED	C E
UNICORP FINANCIAL CORPORATION	E F
UNION OIL COMPANY OF CANADA LIMITED	E
UNITED ACCUMULATIVE RETIREMENT FUND	C
UNITED ASBESTOS INC.	A
UNITED CANADIAN SHARES LIMITED	E
UNITED CANSO OIL & GAS LTD.	E
UNITED SECURITY FUND	C
UNITED SISCOE MINES INC.	C
UNITED VENTURE RETIREMENT FUND	C
UNIVERSAL EXPLORATIONS LIMITED	E
UNIVEST GROWTH FUND	C
VEDRON LIMITED	E
VEGA GOLD EXPLORATIONS INC.	A
VENPOWER LIMITED	B
VESTGRON MINES LIMITED	C
VICTORIA AND GREY TRUST COMPANY	E
VICTORIA AND GREY TRUSTCO LIMITED	E
VOYAGER EXPLORATIONS LIMITED	C
VULCAN INDUSTRIAL PACKAGING LIMITED	C E
WAINOCO OIL CORPORATION	E
WALKER, HIRAM-GOODERHAM & WORTS LIMITED	E
WARDAIR INTERNATIONAL LTD.	C
WARNACO OF CANADA LIMITED	C
WEST MACANDA RESOURCES LIMITED	C
WESTBURNE INTERNATIONAL INDUSTRIES LTD.	B
WESTCOAST TRANSMISSION COMPANY LIMITED	C
WESTFAIR FOODS LTD.	C
WHITE PASS & YUKON CORPORATION LIMITED, THE	C
WHONNOCK INDUSTRIES LIMITED	C
WILLROY MINES LIMITED	C
WIN-ELDRICH MINES LIMITED	C
WRIGHT-HARGREAVES MINES LIMITED	C

YORK LAMBTON INC.	E
YORK RUSSEL INC.	C E
YVANEX DEVELOPMENTS LIMITED	B C
ZELLER'S LIMITED	C
ZEPHYR 80-81 ENERGY PROGRAM	C
AMOCO CANADA PETROLEUM COMPANY LTD.	C
AMWAY MUTUAL FUND INC.	C
ASHLU EXPLORATION LTD.	E
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AURORA 78 ENERGY FUND	C
AURORA 78-79 ENERGY PROGRAM	C
BANKFIELD CONSOLIDATED MINES LTD.	A
BEAVERHEAD RESOURCES LTD.	E
BELL MOLYBDENUM MINES LIMITED	C
BRASCADE RESOURCES INC.	E
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CANPAL-CANADIAN ISRAEL CORP. LTD.	C
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G.B.C. CAPITAL LTD.	C
G T E	C
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HUDSON BAY MINES LIMITED	C
INTERNATIONAL PAPER COMPANY	C E
JAPAN TRADE CENTRE, THE	E
KEELEY-FRONTIER RESOURCES LTD.	E
KOLLUCAN RESOURCES LTD.	E
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MALARTIC HYGRADE GOLD MINES (CANADA) LTD.	C
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MARCANA RESOURCES LTD.	C
MASSVAL RESOURCES INC.	C
McLEAN BUDDEN BALANCED FUND	C
McPHAR INSTRUMENT CORPORATION	C
NL INDUSTRIES INC.	C
NORTH AMERICAN PHILIPS CORPORATION	C
ORION CAPITAL CORPORATION	E
PANARTIC OILS LIMITED	C
PANCONTINENTAL MINING LIMITED	E
PANCONTINENTAL PETROLEUM LIMITED	E
PEOPLES TELEPHONE COMPANY OF FOREST LIMITED	C
REID DOMINION PACKAGING LIMITED	C
RIDEAU CARLETON RACEWAY HOLDINGS LIMITED	A B
ROBERT MITCHELL INC.	C
SARATOGA PROCESSING COMPANY LIMITED	C
SCUDDER DUO-VEST EXCHANGE FUND INC.	C
SHELTER CORPORATION OF CANADA LIMITED	A
SILVER EUREKA CORPORATION	E
TEXACO INC.	E
UNITED STATES STEEL CORPORATION	C
WASABI RESOURCES LTD.	A B
WEBB & KNAPP (CANADA) LIMITED	C
WITCO CHEMICAL CORPORATION	C

NEW ISSUE AND SECONDARY FINANCING

THE EQUITY PART OF THE CANADA TRUST COMPANY
INVESTMENT FUND

Final receipt issued September 1, 1981 for prospectus dated September 1, 1981 qualifying for sale units of The Equity Part of The Canada Trust Company Investment Fund.

MANAGER: The Canada Trust Company

GANE 1981-82 PROGRAM

Final receipt issued August 28, 1981 for the prospectus dated August 27, 1981 offering 10,000 Units in Gane 1981-82 Program and 200,000 Warrants to purchase 200,000 Common Shares of Gane Petroleum Corporation Ltd. at a price of \$1,000 for 1 Unit and 20 Warrants.

AGENT: Midland Doherty Limited

PROMOTERS OF
GANE PETROLEUM
CORPORATION LTD.:

Norman R. Fischbuch
Edwin M. Jensen
Gaylord R. Turnquist
Jack C. Lee
Northstar Resources Ltd.
R.D. Barry Sullivan

PROMOTER OF
GANE 1981-82
PROGRAM:

Gane Petroleum Corporation Ltd.

THE INCOME PART OF THE CANADA TRUST COMPANY
INVESTMENT FUND

Final receipt issued September 1, 1981 for prospectus dated September 1, 1981, qualifying for sale units of the Income Part of The Canada Trust Company Investment Fund.

MANAGER: The Canada Trust Company

TRIMARK CANADIAN FUND

Receipt issued September 1, 1981 for a prospectus dated August 28, 1981 offering mutual fund shares at net asset value plus a sales commission.

DISTRIBUTOR: Trimark Investment Management Inc.

TRIMARK FUND

Receipt issued September 1, 1981 for a prospectus dated August 28, 1981, offering mutual fund shares at net asset value plus a sales commission.

DISTRIBUTOR: Trimark Investment Management Inc.

RIGHTS OFFERINGS ACCEPTED

ASHLU EXPLORATION LTD.

Material acceptable to the Commission has been received in respect to a proposed Rights Offering by Ashlu Exploration Ltd., whereby holders of record on September 9, 1981 of its outstanding Common Shares are entitled to subscribe for two 12% Convertible Redeemable Preferred Shares Series A for each 25 Common Shares held at \$10.00 per Convertible Preferred Share.

SUBSCRIPTION AGENT: Montreal Trust Company

LA VERENDRYE MANAGEMENT CORPORATION

Material acceptable to the Commission has been received in respect to the proposed Rights Offering by La Verendrye Management Corporation whereby holders of Class A Common Shares will have the right to purchase two Class B Common Shares at \$6.25 per share for each seven rights held.

SUBSCRIPTION AGENTS: Trust General Du Canada
Montreal Trust Company

PANCONTINENTAL MINING LIMITED

The Commission has received material relating to the securities to be offered pursuant to a proposed rights offering that is satisfactory to it.

PRELIMINARY PROSPECTUSES WITHDRAWN

AURORA ENERGY FUND LTD.

The preliminary prospectus dated June 19, 1981 of Aurora Energy Fund Ltd. has been withdrawn at the request of the Company.

CANADA PERMANENT MORTGAGE CORPORATION

The preliminary prospectus dated May 20, 1981 of Canada Permanent Mortgage Corporation has been withdrawn at the request of the Corporation.

PRELIMINARY PROSPECTUSES RECEIVED

August 28, 1981

Charriot Resources Ltd.

National Issue - Ontario

Offering to holders of its common shares rights to subscribe for one unit (consisting of one Common Share and one Share Purchase Warrant) of the Company at the price of \$2.00 per Unit for each three Rights held by such holders. A maximum of 1,238,307 Units are being offered.

UNDERWRITER: Davidson Partners Limited

Consolidated Goldsec Explorations Limited

Offering 2,000,000 Common Shares (without nominal or par value) at a price of .35¢ per common share.

Offered through registered securities dealers.

The Sheridan Platinum Group Ltd.

Offering 1,000,000 Common Shares (without par value) and 1,000,000 Share Purchase Warrants, in Units consisting of 1 Common Share and 1 Share Purchase Warrant at a price of \$5.50 per Unit.

Offered through registered securities dealers.

Vulcan Industrial Packaging Limited

National Issue - Ontario

Offering * Common Shares (without par value) at a price of \$ * per share.

UNDERWRITER: McLeod Young Weir Limited

September 1, 1981

Imperial Square, Houston

National Issue - Manitoba

Offering 6,225 Limited Partnership Units at a price of \$924.16 (U.S.) per Unit.

Minimum Subscription: \$23,200 (U.S.) per 25 Units.

AGENT: Imperial Securities Limited

Spanish River Hotel

National Issue - Manitoba

Offering 140 Units at a price of \$78,000 per 1 Bay Unit, escalating by \$1,000 per floor and \$185,000 per 2 Bay Unit.

AGENT: Equion Securities Canada Limited

Universal Savings Japan Fund

National Issue - Ontario

Offering Units of trust through registered securities dealers on a continuous basis at the net asset value plus a sales commission.

Amendment Received

August 28, 1981

Hiram Walker Resources Ltd.

Amendment #1 dated August 28, 1981 to preliminary prospectus dated July 17, 1981.

SEPTEMBER 1981

SECURITIES

TERMINATIONS

INVESTMENT COUNSEL

Mineral Exploration & Engineering Consultants
1544 Copeland Street,
P. O. Box 244,
North Bay, Ontario.
PlB 8H2.

(effective August 31, 1981) Lapsed due to failure
to meet conditions of
registration

INVESTMENT COUNSEL AND AS PORTFOLIO MANAGER

Portfolio Management Limited,
Suite 205,
8 King Street East,
Toronto, Ontario.
M5C 1B5.

(effective August 28, 1981) Lapsed due to failure
to meet conditions of
registration

SECURITIES DEALER

A. E. LePage Commercial Realty Company
2300 Yonge Street,
Suite 2801,
P. O. Box 2380,
Toronto, Ontario.
M4P 1E4.

(effective August 30, 1981) Lapsed

OTHER INFORMATION

TRANSFERS WITHIN ESCROW

Canusa Energy Ltd.

<u>From</u>	<u>To</u>	<u>No. of Shares</u>
Bonanza Oil & Gas Ltd.	Midale Resource Management Ltd.	35,000
	Pharma-Petro Holdings Ltd.	35,000
	Nautilus Resources Ltd.	35,000
	L.G. Brown Engineering Ltd.	35,000
	John J. Fleming	23,333
	Barry W. Harrison	35,000
	Wesley G. Ismond	35,000
	Donald V. Ingram	23,333
	Albert E. Whitehead	23,334
	Robert J. Ross	5,000
	Robert A. Faskill	5,000
	Paul F. Vandergriff	5,000
	Valerie Schulz	5,000
		<u>300,000</u>

Golden Shaft Mines Limited

<u>From</u>	<u>To</u>	<u>No. of Shares</u>
Harry L. Isaacs	Mary Louise Isaacs	100,000

Lennie Red Lake Gold Mines Limited

<u>From</u>	<u>To</u>	<u>No. of Shares</u>
Joseph Perkin	George Colomvakos	15,000

DISCLOSURE SECTION
COMPARATIVE STATISTICAL REPORT OF PRIVATE PLACEMENTS
FILED FOR MONTH OF AUGUST 1981

FORM 20

FORMS 11 AND 19 SCHEDULE 1 AND 2

January 1, 1981 - July 31, 1981

2278 Reports	\$ 2,910,825,816.00	Equity
296 Reports	833,274,821.00	Debt
August, 1981		
287 Reports	865,457,318.00	Equity
42 Reports	268,825,571.00	Debt
Total to date		
2565 Reports	3,776,283,134.00	Equity
338 Reports	1,152,100,392.00	Debt
	<u>\$ 4,928,383,526.00</u>	

January 1, 1980 - July 31, 1980

848 Reports	\$ 894,792,632.26	Equity
512 Reports	1,031,025,866.65	Debt
August, 1980		
37 Reports	15,112,110.08	Equity
47 Reports	107,652,725.00	Debt
Total to date		
879 Reports	909,904,742.34	Equity
559 Reports	1,138,678,591.65	Debt
	<u>\$2,048,583,334.09</u>	

FORM 21

FORMS 12 AND 19 SCHEDULE 3

January 1, 1981 - July 31, 1981

108 Reports	\$ 90,023,644.00	Equity
16 Reports	9,961,362.05	Debt
August, 1981		
21 Reports	4,057,090.00	Equity
Reports	nil	Debt
Total to date		
129 Reports	94,080,734.00	Equity
16 Reports	9,961,362.05	Debt
	<u>\$ 104,042,096.00</u>	

January 1, 1980 - July 31, 1980

131 Reports	\$ 63,695,213.09	Equity
9 Reports	27,240,112.43	Debt
August, 1980		
10 Reports	10,802,708.50	Equity
1 Report	364,200.00	Debt
Total to date		
141 Reports	74,497,921.59	Equity
10 Reports	27,604,312.43	Debt
	<u>\$ 92,102,234.02</u>	

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SC
- B75



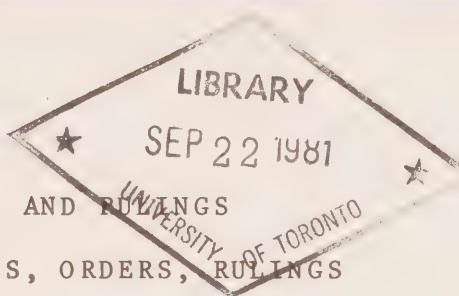
Ontario
Securities
Commission

OSC Bulletin

11TH SEPTEMBER, 1981

VOLUME 2 #9/81

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NOTICE

Toronto, September 10, 1981.

The Ontario Securities Commission advises that Nova Scotia Savings & Loan Company ("NSS&L"), of Halifax, N.S. has alleged breaches of the take-over bid and other provisions of the Securities Act of Ontario in respect of trading in the common shares of NSS&L on the Toronto Stock Exchange and elsewhere by persons and companies acting in concert to affect an unlawful take-over bid. NSS&L through its Toronto counsel has asked the Commission and other regulatory authorities to investigate that trading. Staff of the Commission have been instructed to investigate NSS&L's complaints. This investigation will be carried out in co-operation with the staff of other regulatory bodies.

DECISIONS, ORDERS AND RULINGS

IN THE MATTER OF KRAFT, INC.

UPON the application of Kraft, Inc. ("Kraft") to the Ontario Securities Commission (the "Commission") for an order pursuant to Section 82 of the Securities Act, 1980, c.466 (the "Act");

AND UPON it being represented that Kraft Inc. now has fewer than fifteen security holders resident in Ontario;

AND UPON the Commission being satisfied that to grant this order would not be prejudicial to the public interest;

IT IS ORDERED pursuant to section 82 of the Act that Kraft, Inc. be and hereby is deemed to have ceased to be a reporting issuer for the purposes of the Act for so long as it shall have fewer than fifteen security holders whose latest address as shown on the books of Kraft, Inc. is in Ontario.

4th September, 1981

"Henry J. Knowles"

"Harry S. Bray"

IN THE MATTER OF CDC PETROLEUM INC. AND AQUITAINE
COMPANY OF CANADA LTD.

UPON the application of CDC Petroleum Inc. (the "Applicant") to the Ontario Securities Commission ("Commission") pursuant to section 99(e) of the Securities Act, R.S.O. 1980, C.466 (the "Act");

AND UPON it appearing that:

1. The Applicant is a wholly-owned subsidiary of Canada Development Corporation ("CDC");
2. The Applicant, CDC and Societe Nationale Elf Aquitaine ("SNEA") entered into an agreement whereby, among other things, the Applicant purchased from SNEA a total of 16,130,000 common shares of Aquitaine Company of Canada Ltd. ("Aquitaine") and proposes to make a take-over bid for all other common shares of Aquitaine, such take-over bid to be made on or about September 11, 1981;
3. CDC entered into an agreement with SNEA with respect to Texasgulf Inc. ("Texasgulf") relating to a tender offer made by SNEA to purchase common and preferred shares of Texasgulf and certain other matters relating to Texasgulf;
4. The Applicant proposes to make an application to the Commission under section 99 of the Act with respect to the agreement made between the Applicant, CDC and SNEA and the said agreement between CDC and SNEA relating to Texasgulf;
5. The Commission is of the opinion that to grant this order would not be prejudicial to the public interest;

IT IS ORDERED pursuant to section 99(e) of the Act that the Applicant be and is hereby exempted from the requirements of section 89(1)12 of the Act to the extent necessary to permit the Applicant to include in its proposed take-over bid to purchase common shares of Aquitaine a condition to the effect that the Applicant shall not be bound to accept for payment and pay for any common shares of

Aquitaine unless there shall have been issued to the Applicant an order under section 99 of the Act determining that the agreement between the Applicant, CDC and SNEA and the agreement between CDC and SNEA relating to Texasgulf are made for reasons other than to increase the value of the consideration paid to SNEA on the purchase by the Applicant of the common shares of Aquitaine owned by SNEA or an order exempting the Applicant from the requirements of section 91(3) of the Act with respect to said agreements.

4th September, 1981.

"Henry J. Knowles"

"Harry S. Bray"

INTERNATIONAL SCHOLARSHIP FOUNDATION

UPON the application dated July 16, 1981 of the International Scholarship Foundation (the "Foundation") to the Ontario Securities Commission (the "Commission") pursuant to subsection 61(5) of the Securities Act, R.S.O. 1980, c.466 (the "Act") for an extension of the times provided for by clauses (a), (b) and (c) of subsection 61(2);

AND WHEREAS the lapse date of the prospectus (the "1980 Prospectus") last filed by the Foundation in respect of the securities of University Scholarships of Canada (the "Securities") pursuant to the requirements of the Act is August 14, 1981;

AND WHEREAS a pro forma prospectus prepared in accordance with the Regulations under the Act was filed on August 4, 1981, in respect of the Securities pursuant to subsection 61(2) of the Act;

AND WHEREAS the Commission has been advised that there are no material facts concerning the Foundation or the Securities which are not generally known and which if known might reasonably be expected to affect a decision by any person with respect to a subscription for or a redemption of the Securities and the Commission is of the opinion that it would not be prejudicial to the public interest to grant an extension of the time prescribed by subsection 61(2) of the Act as requested;

NOW THEREFORE IT IS ORDERED pursuant to subsection 61(5) of the Act that the time periods provided by subsection 61(2) of the Act be and they are hereby extended so that the distribution of Securities under the 1980 Prospectus may be continued until, as provided for in section 60 of the Act, a receipt is issued for the prospectus in respect of which such pro forma prospectus has been filed by the Foundation provided that:

1. Such prospectus is filed with the Commission not later than September 14, 1981; and
2. A receipt is issued for such prospectus not later than September 24, 1981.

14 August, 1981.

"Henry J. Knowles"

"Harry S. Bray"

INVESTORS SYNDICATE LIMITED

The Commission granted recognition to Investors Syndicate Limited as an exempt purchaser under S.34(1)4 of The Securities Act, 1978, for the ensuing twelve months.

THE INVESTORS GROUP

The Commission granted recognition to The Investors Group as an exempt purchaser under S.34(1)4 of The Securities Act, 1978, for the ensuing twelve months.

DRAFT O.S.C. POLICY

"PRIVATE PLACEMENT" EXEMPTIONS - PURCHASES BY SYNDICATES, PARTNERSHIPS AND OTHER "PERSONS"

The "Private Placement" Exemptions

Four of the exemptions which permit distributions of securities without the necessity of filing a prospectus or obtaining registration under the Securities Act or its Regulation are dependent on the presumed sophistication or advice available to the purchaser. In the case of "exempt" purchasers recognized by the Commission under section 71(1)(c) the purchaser (a company or a person other than an individual) has made application and demonstrated its sophistication. The "seed money" exemption in section 71(1)(p) permits the solicitation of "not more than fifty prospective purchasers" with sales to not more than twenty-five, where each purchaser purchases as principal, has access to a prospectus level of information and who, by virtue of his net worth and investment experience or by virtue of the professional advice available to him, is able to evaluate the prospective investment. In the case of "government incentive securities" (defined in section 15(2) of the Regulation), they may be offered to not more than seventy-five prospective purchasers, with sales to not more than fifty, with each prospective purchaser, under the terms of section 14(g) of the Regulation, having similar sophistication or advice to the prospective "seed money" purchaser.

Under section 71(1)(d) a distribution may also be made where,

"the purchaser purchases as principal, if the trade is in a security which has an aggregate acquisition cost to such purchaser of not less than \$97,000."

This exemption, when first enacted in 1963, was restricted to a "person, other than an individual, or company". The 1978 revision, which now permits a sale to an individual whose purchase aggregates \$97,000, adopted the present language.

The Problem

It was not the intention that "persons" in the form of syndicates, partnerships, or other forms of unincorporated organizations should be created to permit the purchases without a prospectus by groups of individuals whose individual contributions to the purchase price is less than \$97,000. The

Commission's position under the old Act was set out in Re Warren Exploration Limited et al 1976 O.S.C.B. 111.

The Commission is informed that there is a view that the simpler language, "purchaser", has been taken to permit the formation of partnerships or syndicates for the purpose of pooling individual contributions of less than \$97,000. A purchase of \$97,000 or more is reported through the filing of Form 20, the report section 71(3) requires the issuer or seller file following a private placement. If this is so, when the exemption is examined in the light of the range of exemptions discussed above, it must be concluded that such action circumvents the spirit, if not the letter, of the exemption.

The Commission is also informed that purchases made in seeming reliance on the "seed money" or "government incentive securities" exemptions in the name of a "person" may serve to mask the fact that the numbers of individuals solicited and the numbers of actual purchasers exceed the numbers permitted through the respective exemptions.

The Commission proposes recommending amendments through the Regulation, and in due course the Act, to make these limitations clear. In the interim it proposes that a statutory declaration accompany the Form 20 so that the compliance staff may be assured that, in the case of section 71(1)(d) distributions that the investment of each individual made through the exemption is not less than \$97,000 in the aggregate.

Proposed Policy

The Commission therefore proposes that, effective Monday, October 26, 1981, each vendor filing a private placement report, Form 20, in accordance with section 71(3), where the purchaser is a "person" other than an individual, should file with the Form 20 a statutory declaration that, after exercising reasonable diligence in its enquiries, the vendor believes that it is entitled to the use of the exemption by virtue of the fact that each member of the partnership, syndicate or other unincorporated organization or, in the case of a trust each beneficiary, is an individual who has paid at least \$97,000 for the securities purchased. The \$97,000 consideration may be cash and/or the assumption of liabilities having a value of \$97,000 on a present value basis.

The Commission notes that with respect to the "seed capital" exemption in section 71(1)(p) of the Act or the "government incentive securities" exemption in section 14(g) of the Regulation, where the purchaser is a person, other than an individual, each individual solicited must be counted

separately in calculating the numbers of prospective purchasers and purchasers.

Request for Comments

The Commission invites comments on the proposed policy to be filed on or before October 13, 1981, with

The Secretary,
Ontario Securities Commission,
10 Wellesley Street East,
Toronto, Ontario,
M7A 2H7

DRAFT O.S.C. POLICY

"PRIVATE PLACEMENT" EXEMPTIONS - PURCHASES BY
SYNDICATES, PARTNERSHIPS AND OTHER "PERSONS"

Request for Comments

The Commission invites comments on the proposed policy to be filed on or before October 13, 1981, with

The Secretary,
Ontario Securities Commission,
10 Wellesley Street East,
Toronto, Ontario,
M7A 2H7

EXPLANATORY NOTES

Information contained in this section has been summarized from insider reports filed with the Commission.

The name of the issuer is followed by a brief description of the class of security the name of the person or company reporting and his or its relationship to the issuer. If a person has an indirect interest in the securities reported, e.g., through holding companies, affiliate companies, partnerships, trusts or other entities, this is shown. Symbols are used in the column "Transaction and Ownership Symbol" to indicate the nature of ownership i.e., direct or indirect. Similarly the character of transactions is indicated provided the transactions are other than a purchase or sale. (See guide to symbols below):

GUIDE TO SYMBOLS

RELATIONSHIP (appearing after the name reported)

- | | |
|------|---|
| "B" | - Beneficial Owner (direct or indirect) of equity shares of a reporting issuer carrying more than 10% of the voting rights attached to all equity shares of the reporting issuer outstanding. |
| "D" | - Director of principal reporting issuer. |
| "DI" | - Director of an issuer or a reporting issuer which is an insider or subsidiary of the principal reporting issuer. |
| "K" | - Exercises control or direction (direct or indirect) of equity shares of a reporting issuer carrying more than 10% of the voting rights attached to all equity shares of the reporting issuer. |
| "S" | - Senior Officer of principal reporting issuer. |
| "SI" | - Senior Officer of an issuer or a reporting issuer which is an insider or subsidiary of the principal reporting issuer. |

NATURE OF OWNERSHIP

- | | |
|-----------|---|
| No Symbol | - Securities are beneficially owned directly. |
| Symbol #1 | - The reporting person or company beneficially owns and/or has control or direction over securities which are held by a company, associate, partnership, trust or other entity. |

CHARACTER OF TRANSACTION

- | | | | |
|-----------|----------------------------|-----|------------------------------|
| No Symbol | - purchase or sale | "M" | - internal |
| "A" | - bequest or inheritance | "Q" | - qualifying shares |
| "C" | - compensation | "R" | - redeemed (called, Matured) |
| "E" | - exchange or conversion | "T" | - stock dividend |
| "F" | - exercise of rights, etc. | "V" | - stock split |
| "G" | - gift | "X" | - exercise of option |
| "IR" | - initial report | "Z" | - distribution |

*Returned for reconciliation purposes.

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
A G F MANAGEMENT LIMITED	Class B	William Farquharson DS	Aug/81	5200		151884
		Kenneth J Gray DSB	Aug/81	5000		106772
		Yvonne C Jerred S	Aug/81	3000		3050
		Mary J Turner S	Aug/81	2000		3000
ADANAC MINING & EXPLORATION LIMITED	Common	Consolidated Canadian Faraday Limited B	Aug/81	5900		126300
AGF MANAGEMENT LTD	Class B Pref	Richard J Whiting S	Aug/81	12000		15100
AMAX INC	Common	Hugh M Simeon S	Aug/81		1500	1500
AMERADA HESS CORPORATION	Common	Marco Bianchi Stock Ownership Plan S	I R			25
			I R			3000
	Common	Richard L Smernoff Stock Ownership Plan S	I R			3000
AMERICAN EAGLE PETROLEUMS LTD	Common	George W Oughtred D	Jul/81 Aug/81		14700 15300	475268
AMTELECOM INC	Common	Donald J Monteith D	Aug/81	300		750
ASAMERA INC (FORMERLY ASAMERA OIL CORPORATION LTD)	Debentures	Donald H Buchholz S	Jul/81	\$71881		\$71881
		Larry B Thiessen S	Aug/81	\$78750		\$306375
		Keith G Cameron S	Aug/81	\$25200		\$84050

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
ASAMERA INC (FORMERLY ASAMERA OIL CORPORATION LTD)	Debentures	Frank W McCamus	S Jul/81	\$215000		\$215000
ASSOCIATED RECREATION CORP	Common	Stewart W Chapman*	S Aug/81		5000	----
		Philip A Halpern	S Jul/81		1000	3000
BAKER INTERNATIONAL CORPORATION	Common	James T Dresher	DS Jul/81	498		19926
		James J Shelton	DS Jul/81	511		64381
		R Robert Harris	S Jul/81	261		2067
BANK OF MONTREAL	Common	Joseph D Jenikov	S I R Aug/81	650		160 810
BILTMORE INDUSTRIES LIMITED	Common	James W McCutcheon Children	--- Aug/81	1 4000		1000 4000
BOW VALEY INDUSTRIES LTD	Common	Richard M McGhee	SI I R			15900
		Lawrence A Mackwood	S I R			8000
BRALORNE RESOURCES LIMITED	Common	Harold C Lowther Royal Trust Company	S Aug/81 --- 1		700	67900 14200
BRAMALEA LTD	Common	John H Taylor	D Jun/81	1000		52400
BRASCAN LIMITED	Class A	Manfred J Walt	SI --- Aug/81	1 700		1000 1300
CADILLAC FAIRVIEW CORPORATION LIMITED THE	Series A Pref	The Cadillac Fairview Corporation Limited	Aug/81	14900		47100
	Common	Martin Seaton	DS Jul/81	V 161100		241650

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CADILLAC FAIRVIEW CORPORATION LIMITED THE (continued)	Common	Kenneth G Bream	DS Jul/81 V	106114		159171
		John D Gartley	S Aut/81 M		1029	---
		Registered Retirement Savings Plan	Aug/81 M1	1029		1029
		Bela J Mocsy	S Jul/81 V	1538		2307
		John Pitcher	S Jul/81 V	300		450
		Gerald Sheff	DS Aug/81		30000	87454
		Peter C Swann	D Jul/81 V	2240		3360
		James W Best	S Aug/81 T	5		
			Aug/81 V	2078	600	2517
			Aug/81			
CAE INDUSTRIES LTD	Class A Common	Peter D Curry	D Jul/81 V	51026		76539
		Arnold R Tunis	SI Jul/81 V	1600		2400
		Indirect Holding	-- V1	1000		1500
		CAE Industries Ltd	Jul/81	7650		---
			Jul/81 R		7650	
		D M Derouin	S Jul/81 V	1212		1818
		Gerald A Matson	S Jun/81 1	11		
			Jul/81 V	4928		7392
		Bernard F Kelly	D ---			100
		Kesco Family Inv Ltd	Aug/81 1	5000		139250
CALVERT DALE ESTATES LIMITED	Class B Common					

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CAMPEAU CORPORATION	Common	Timothy J Walker Stock Purchase Plan	--- Aug/81	1	1054	64 81914
CANADA DEVELOPMENT CORPORATION	Common	Maurice Moreau	D Jul/81	15		306
		Mary S Lamontagne	D Jul/81	1		25
CANADA PERMANENT MORTGAGE CORPORATION	Common	Colin M A Strathy Family Trust Wife	D Jul/81 Jul/81 Jul/81	1 1 1	950 500 200	250 --- ---
	6 3/4% Pref	Inchaffray Ltd Colin M A Strathy	Jul/81 Jul/81	1	400 200	--- ---
	Common	Roger D Wilson RRSP	D Aug/81	1	250	---
	6 3/4% Pref	Roger D Wilson	Aug/81		150	---
	8% Pref	Roger D Wilson	Aug/81	25		25
	Common	Sheldon L Fountain	D Jul/81		1600	250
		George L Jennison	D Jul/81		4750	250
CANADA TRUSTCO MORTGAGE COMPANY	Common	John B Kelman	S Jun/81 Aug/81	57 675		5589
		Charles C Parsons	S Aug/81	975		3759
		John F Schucht	S Aug/81	1875		6050
		Derek J Warren	S Aug/81	1250		7283
	Preferred	Leo P Sauve	S Aug/81	1350		2083
	Common	Gwyn E Williams	S Aug/81	900		4171
	Preferred	Gwyn E Williams	Aug/81	100		1400

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CANADIX RESOURCES LTD	Common	Ignatius A McEwan	DI I R			1000
CANADIAN GENERAL INVESTMENTS LIMITED	Common	Canadian General Investments Limited	Aug/81	6600		14 399
		385793 Ontario Ltd	Aug/81	1000		1971
CANADIAN MANOIR INDUSTRIES LIMITED	Common	Geraldine Clever Son Oakhaven Investments Limited	Aug/81 1 -- 1	2000		3500
CANBRA FOODS LTD	Common	David W Hughes D W Hughes Management Ltd	May/81 DS May/81 1		500 1000	100 1500
CANUSA ENERGY LTD	Common Warrants	Richard D Tingle Wife Wife	I R I R I R			8848 5000 1000
CARMA DEVELOPERS LTD	Class B	Chesley J McConnell	DI Aug/81 T	335		43891
CARUSCAN CORPORATION	Class B	David J Hennigar Indirect Holdings	D Aug/81 Z1	45100		45100
CARVERN INTERNATIONAL INDUSTRIES LTD	Common	Gerald D Warne	D Jul/81		10000	238999
CENTRAL PATRICIA LIMITED	Common	James A Kalman	S Aug/81 X	5000		26000
CITIES SERVICE COMPANY	Common	David A Hentschel	S Aug/81 X Aug/81 M	635 737		1372

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CITIES SERVICE COMPANY (continued)	Common	Robert V Sellers	DS	3590		
			Aug/81 F			
			Aug/81 X		660	
			Aug/81 X	1500		5420
CLARION PETROLEUMS LTD	Common	Glenn R Carley	S I R			---
COASTAL INTERNATIONAL LTD	Common	Oscar S Wyatt Jr	D I R			147396
COHO RESOURCES LIMITED	Class A Common Class B Common Series C Pref Series A Pref Series B Pref Warrants	Samuel Hashman S H C Resources Ltd Samuel Hashman S H C Resources Ltd S H C Resources Ltd S H C Resources Ltd	D I R			
			I R			13142
			I R	1		65712
			I R			67500
			I R	1		35963
			I R	1		1413
			I R	1		\$89130
CONSUMERS GLASS COMPANY LIMITED	Class A Common Class B Common Warrants	241282 Alberta Ltd 241282 Alberta Ltd 241282 Alberta Ltd	B I R			66667
			I R			250784
			I R			\$1829958
	Common	Roger Letourneau	D Aug/81	1000		1400
CONWEST EXPLORATION COMPANY LIMITED	Class B	Earl B Connell Amended	D			
			Jun/81 E	4000		5101
		James A Kalman	S Aug/81	2000		12000
COPPERFIELDS MINING CORPORATION	Common	Norman B Keevil RRSP	DS			
			Jul/81 --	5400		137434 218100
			--			1
CULLATON LAKE GOLD MINES	Common	James K B Booth James K B Booth Ltd	DI			300
			Aug/81		264	---
		Margaret A Booth	Aug/81		541	---

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CYPRUS ANVIL MINING CORPORATION	Common	John Bruk	DS Aug/81	X 32000		
		Wife	Aug/81		52372	---
			Aug/81	1	2225	---
		Joyce D Willington	S Aug/81	X 1000		
			Aug/81		1000	---
		Theodore S Andrew	S Aug/81	X 6000		
			Aug/81		7119	---
D'ELDONA GOLD MINES LTD	Common	Thomas H Biggs	S Aug/81	X 3250		
			Aug/81		3254	---
		Allen T Lambert	D Aug/81		5000	---
		237644 British Columbia Ltd				
			Aug/81	1	1000	---
DELHI PACIFIC MINES LIMITED	Common	Walter Ruck Amended	DS			
		Ruck Ventures Ltd				
			May/81	1 10000		
			Jun/81	1 20000		
DOME PETROLEUM LIMITED	Common		Jun/81	1	10000	55000
		John C Labbett	D Aug/81	1000		2000
		H Richard Whittall	D I R			---
DOMINION TEXTILE INC	Common	John Bruk	DISI I R			---
		Allen T Lambert	DI I R			
		Allan R Evans	S I R			30000
						200
ENEX RESOURCES LIMITED	Common	G Arnold Armstrong Amended	DS Apr/81		2000	210260

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
ENSERCH CORPORATION	Common	W C McCord Stock Purchase Plan Trust	Jun/81	568		13453
			Jun/81		568	5728
			--			138
FORD MOTOR COMPANY	Common	Clifton R Wharton	Aug/81		150	---
GAZ METROPOLITAIN INC	Common	Carl Mercier	S I R			704
		Donald Hotte	S I R			700
GENERAL MOTORS CORPORATION	Common	F James McDonald Savings-Stock Purchase Program	Aug/81		773	17614
			Aug/81	253		2371
			--			7387
GENSTAR CORPORATION	Common	Glen R Jones	S I R			200
GEORGE WESTON LIMITED	Common	Raymond J Addington DI	I R	9300		9300
			Aug/81		9300	---
GESCO DISTRIBUTING LIMITED	Common	The Allan Shnier Family Trust	Aug/81	200		7360
			Aug/81	200		7360
		The Irving Shnier Family Trust	Aug/81	200		7360
			Aug/81	200		7360
		The Norman Shnier Family Trust	Aug/81	200		7360
GETTY OIL COMPANY	Common	The Phil Shnier Family Trust	Aug/81	200		7360
			Aug/81	200		7360
		Duane A Bland Amended	S	38		60

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
GOWGANDA SILVER MINES LTD	Common	Abraham S Norgington	D Jul/81		13000	115000
GREYHOUND LINES OF CANADA LTD	Common	John W Teets	D I R			---
HOLLINGER ARGUS LIMITED	Common	Percy C Finlay	DS Aug/81	T 39		3340
HUDSON'S BAY OIL AND GAS COMPANY LIMITED	Common	Thomas D Doyle Profit Sharing Plan	DI Jul/81	I 21		1446
INGLIS LTD	Common	Allen T Lambert	DI I R			2000
INDAL LIMITED	Common	Douglas J Peacher Amended	D Jun/81	1000		1000
INTER-CITY GAS CORPORATION	Common	Downie Brown	S Aug/81	800		832
INTERNATIONAL MOGUL MINES LIMITED	Preferred	Robert G Graham	DS Aug/81	10000		280900
IU INTERNATIONAL CORPORATION	Common	Earl B Connell	DI I R		2000	2000
JOUTEL RESOURCES LIMITED	Common	John J Terry Family	SI -- Jun/81	I 98		1547
K S F CHEMICAL PROCESSES LIMITED	Common	Richard E Nemis	D Aug/81	I 454	5000	653
		Graham D Robertson	D I R			2000
						500

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
KAMCON MINES LIMITED	Common	Peter C Stewart	D Jan/81	285		1685
LA VERENDRYE MANAGEMENT CORPORATION	Class A Common	Fernand Doyon Les Placements Fernand Doyon Inc Children	DS Jun/81 -- --	25 1 1		16291 21200 2400
		Marc Lavigne Stock Option Plan	DS Jun/81 --	25 1		38225 10806
		Yvan Dessureault	DS Jun/81	1 25		891
		Gillies Plante Stock Option Plan	S Jun/81 --	25 1		1734 1500
LAKE SAVARD RESOURCES LIMITED	Common Preference	Gordon Magrill Gordon Magrill	B I R I R			250000 50000
	Preference Common	Leonard Rosenberg Leonard Rosenberg	B I R I R			250000 50000
	Common	Fred Munger	S I R			1
		Gerald Iscove	D I R			1
		Milton Klyman	DS I R			1
LAVA CAP RESOURCES LTD	Common	Eric C Sievwright	DS Aug/81	1000		1000
LENNIE RED LAKE GOLD MINES LIMITED	Common	Irving R Picard Bluebell Enter- prises Ltd	DS Aug/81 --		40000	27956 10000
MACLEAN HUNTER LIMITED	Class X	Donald G Campbell Trustee	DS Aug/81 --	20000 1		816457 20

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
MACLEAN HUNTER LIMITED (continued)	Class X	Alan Blackburn	S Jun/81 M Aug/81	5000 1500		11500
		Deferred Profit Sharing Plan				
	Class Y	Alan Blackburn	1 Jun/81 M		5000	307 ---
MAGNA INTERNATIONAL INC	Class B	Frank Stronach	DS Jun/81	1300		299333
		Beechwood Farm Limited	-- 1			113367
		Other Indirect	-- 1			548467
		Frank Stronach	--			309233
MCFINLEY MINES LIMITED	Common	William W Cummins Amended	DS Mar/81 Mar/81	1300	5000	476865
MDS HEALTH GROUP LIMITED	Class A	Deferred Profit Sharing Plan	K Aug/81 Aug/81	5500 2200		313354 316356
	Class B					
MITEL CORPORATION	Common	Donald C Webster Helix Investments Limited Trust	D Aug/81 1 -- 1		50100	1249900 30000
MOBIL CORPORATION	Common	George A Birrell Trustee Wife	DS -- Jul/81 M1 Jul/81 M1	8		19188 198 ---
MOLCO INDUSTRIES LIMITED	Common	Nubar Limited*	B Feb/81	300000		10279213
MOLSON COMPANIES LIMITED THE	Class A	Dale H Kerry	SI I R			1500
		Douglas H Stanley	S Aug/81 X	2500		2500
MONENCO HOLDINGS LTD	Class A	Robert H Wynne Jr	DI I R			200

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
NATIONAL BANK OF CANADA	Common	Napaul Poisson	S Jul/81 T	175		332
NATIONAL HEES ENTERPRISES LIMITED	Common	J Walt Manfred	S Aug/81	300		15600
NEARCTIC RESOURCES INC	Common	Sten Engwall	D I R			50000
NORANDA MINES LIMITED	Common	Donald S McGiverin	D Aug/81	400		1000
NU-WEST GROUP LIMITED	Class A Common	Murray L Fox	S Aug/81	5000		5000
	2nd Preferred Convertible Series A	RRSP	-	1		3000
		RRSP	Jul/81 -	1	4000	---
OCCIDENTAL PETROLEUM CORPORATION	Common	Perry V Haines	S I R			83023
	Preferred	Trustee	I R	1		5976
			I R			24069
			I R	1		1732
OLD CANADA INVESTMENT CORPORATION LIMITED	Common	Douglas A Berliss	D Aug/81 T	51		43126
PACO CORPORATION OF CANADA LIMITED	Common	Paco Corporation of Canada Limited	S Aug/81	100		186885
PAN CENTRAL EXPLORATIONS LIMITED	Common	John D Harvie	DISI I R			2000
		David J Markle Children	D -			200
			Jun/81	1		2000
			Jul/81	1		4000
PATINO N V	Common	Patino Overseas N V	B Dec/80	560		8000
			Jan/81	928		
			Feb/81	390		
			Mar/81	580		1740332

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
PENNZOIL COMPANY	Common	Bobby Hollingsworth S	Jun/81	X	420	3824
		Wife	--	1		220
		By wife for daughter	--	1		118
		Stock Purchase Plan	--	1		1714
PETROTECH INC	Common	Ned S Russell S	Aug/81	900		21000
PLACER DEVELOPMENT LIMITED	Common	David Michaelis SI	-			150
		Stock Purchase Plan	1981	1	96	1296
		Stuart A Rose SI	1981	1	38	61
		Stock Purchase Plan				
		Lorimer Carlton Fairfield S	Aug/81		6000	6000
		Stock Purchase Plan	-	1		714
		John Racich S	Aug/81		5000	5900
		Stock Purchase Plan	1981	1	63	830
		Robert Needham S	--			9000
		Stock Purchase Plan	Jun/81	1	21	154
PONY SPORTING GOODS LIMITED	Common	Daniel Larson B				
		DS DISI				
		R S L Sports Equipment Ltd	I R	1		7618000
PRECAMBRIAN SHIELD RESOURCES LIMITED	Common	George R D Goulet S	Aug/81	1	1000	1000
		RRSP				
PROVIGO INC	Common	Antoine Turmel DS	Aug/81		790	47000
			-	1		127440
		Claude Dufour S	Jun/81	V	1050	1400
		Claude E Leduc S	Jun/81	V	300	400

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
PROVIGO INC (Continued)	Common	Pierre B Lessard	DS Aug/81		10000	115200
		Rene Provost	D Jul/81	1500		186380
PYTHON RESOURCES AND INVESTMENT LIMITED	Common	John C Cragg	B			
		Cragg & Satok Investments	I R I			100000
		David I Satok	B			
QUAKER OATS COMPANY, THE	Common	Cragg & Satok Investments	I R I			100000
		Vernon R Loucks Jr	D I R			100
		William M Bogert	S Jun/81	G	10000	12000
QUASAR PETROLEUM LTD	Common					
RAM PETROLEUMS LIMITED	Common	Cyril J Hadley	D Aug/81		500	13587
RANCHMEN'S RESOURCES (1976) LTD	Preferred	Richard W Andrew	D Jul/81	E	39600	39600
	Class A Common	Jacqueline Brackpool	S I R			321
	Preferred	Carman Byler	D I R			1000
		Carman Byler	I R			1000
Class C Common	Class C Common	Canadian Oil & Gas Fund Ltd	B Jul/81	E	20388	59507
			Jul/81		20000	
		Canadian Oil & Gas Fund Ltd	Jul/81	E	50000	40388
Class A Common	Class A Common	Ellen K Kaita	S I R			8621
Preferred	Preferred	John G McDonald	DISI Jul/81	E	19800	19800
		Hedley N Stewart	D Jul/81	E	1800	1800

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
RANCHMEN'S RESOURCES (1976) LTD (Continued)	Class D Common	Total Eastcan Exploration Ltd	B I R			50000
	Class A Common	Total Eastcan	I R			262900
	Debentures	Total Eastcan	I R			\$43713750
		Exploration Ltd	I R			
REDPATH INDUSTRIES LIMITED	Common	John C W Mitchell	D I R			100
REED STENHOUSE COMPANIES LIMITED	Class A Common	Robert A Pincott	S I R			7608
ROCKWELL INTERNATIONAL CORPORATION	Class A	Henry W Kirkpatrick	S I R			5166
	Common	Robin C Duke	D Jul/81	200		1235
		W F Rockwell Jr Associates	D - Aug/81	1	41500	187603 1085163
ROYAL BANK OF CANADA, THE	Common	William S Snook	S May/81 Jun/81	100 100		400
		John E Cleghorn	S Aug/81	250		750
ROYCAM COPPER MINES LIMITED	Common	Harold Chapman	D I R			1000
S B McLAUGHLIN ASSOCIATES LIMITED		Paul G Jeffrey	D I R			---
SCARBORO RESOURCES LIMITED	Common	Robert P McBean	DS Aug/81 Aug/81	84700	2000	381600 1000
		RRSP	- 1			
		James S Palmer Brackley Holdings Ltd	D Jun/81 -	31600 1		126400 15000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
SCEPTRE RESOURCES LIMITED	Common	Timothy J Wagg Jones Heward & Co MacDougall, MacDougall, McTier RRSP	Aug/81 - - - -	1284 1 1 1 1		1284 600 2200 225
SCOTT PAPER LIMITED	Common	John B Sweeney	SI I R			2141
SCOTT'S HOSPITALITY INC	Class C	John F Philip	S Aug/81		800	1120
SENLAC RESOURCES INC	Common	Judine Holdings Limited	B Aug/81	320000		1980424
SHELL OIL COMPANY	Common	David A Brooks*	DS Aug/81 Aug/81	20000	120000	31000
SHERRITT GORDON MINES LIMITED	Class A	Keith Doig	S Aug/81	1034		1834
		Joseph A Fraser Son	S Aug/81 ---	275		2170 125
SHININGTREE GOLD RESOURCES INC	Common	Ian A Shaw	S Aug/81 Aug/81	200	500	200
SILVERTON RESOURCES LIMITED	Common	James R B Parres	DSB Aug/81 Aug/81	9000	1000	33000
SKYE RESOURCES LTD	Common	John E McCutcheon	S Aug/81	2000		162508
SOUTHAM INC	Common	Brian G McCombe RRSP	S Jul/81 --		234	71 7
SPRUCE FALLS POWER AND PAPER COMPANY, LIMITED	9 1/4 Debentures Series A Mar.1/94	Hugh G Hallward	D Aug/81	1000		5000
		Spruce Falls Power and Paper Company, Limited	Jun/81 Jun/81 Jun/81 Jul/81 Jul/81	\$32000 \$15000 \$25000		
					\$15000 \$32000	

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
SPRUCE FALLS POWER AND PAPER COMPANY, LIMITED (Continued)	9 1/4 Debentures Series A Mar.1/94		Jul/81 R		\$25000	
			Jul/81	\$100000		
			Jul/81 R		\$100000	
			Jul/81	\$1000		
			Jul/81 R		\$1000	
			Aug/81	\$100000		---
STANDARD OIL COMPANY (INDIANA)	Common	Norman J Rubash	S Jul/81 X	646		2562
STANDARD TRUSTCO LIMITED	Common	Kathleen I Mawson	S Sep/81	7		291 96
			- 1			
STELCO INC	Cum Redeemable Series A	L M Killaly	S Aug/81		100	---
	Series C Preferred	L M Killaly	Aug/81		200	---
	Cum Redeemable Series D	L M Killaly	Aug/81		300	---
SUPERIOR OIL COMPANY, THE	Common	Joseph E Reid	DS Jun/81	18		
			Jun/81 V	23192		28991
		Michael D Duggan	S Jul/81 V	3200		4000
		Michael Patrick	S Jun/81	4		
			Jul/81 V	22		28
		Louis Satterfield Jr	S Jul/81 V	635		793
		Norman J Rubash	S Jul/81 X	646		2562
		Robert I Schramm	S Jun/81	6		
			Jul/81 V	25		32
		Howard B Keck	D Jul/81 V	2004760		2505950
		Edward I Story	S 1981 1981 V	16 201		251

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
SYSTEMHOUSE LTD	Class A Common	John R Davies SWH Holdings Ltd	DS Jul/81	1	2414	552 1262250
TDRI LIMITED	Short Term & Promissory Notes	The Toronto-Dominion Bank	B Aug/81 Aug/81 Aug/81 Aug/81	R \$200000 \$236000 R	\$200000 \$400000	236000
TECK CORPORATION	Class B Common	Norman B Keevil MGC Investments	DS Jul/81	1 1000		23000 23000
TENNECO INC	Common	H E Daniels Thrift Plan	S Jul/81	1 26		100 3219
		Robert T Blakely	S I R			---
TEXACO CANADA INC	Common	Douglas R Telfer Employees Savings Plan	S 1981	1 226		40 1927
TEXAS EASTERN CORPORATION	Common	Charles W Duncan Jr	D Jun/81	2000		5000
TEXASGULF INC	Common	John P Gallagher	D Jun/81 Jun/81	T 148	22001	---
		Guy T McBride Jr	D Jul/81 Jul/81 Jul/81	G 371	2200 30400 600	---
		Jointly with Wife				---
		P Ray Clarke	S Jul/81 Jul/81	C 371	406	---
		H Anthony Hampson	DS Jun/81 Jul/81	T 6	994	1014 20

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
THIRD CANADIAN GENERAL INVESTMENT TRUST LIMITED	Common	Third Canadian General Investment Trust Limited	Aug/81 T	500		3308
THOMSON NEWSPAPERS LIMITED	Class B	Brian W Slaight	Aug/81 D	800		23520
TONECRAFT REALTY INC	Common	Kernwood Limited	B I R			142000
TRANSALTA UTILITIES CORPORATION	Common	E William Smith	Aug/81 S Aug/81 T	100 14		844
TRIZEC CORPORATION LTD	Common	Edward C Elford Nominee Montreal Trust Company PDB Investments	- S Aug/81 1 - 1			18828 70500 126328
		Thomas Stephenson Monray & Co	Aug/81 S 1	10000		26000
		Kenner C Ames Nominee	- S Aug/81 1	10000		3000 62480
		Machiel Cornelissen DS Monray & Co PDB Investments	- DS Aug/81 1 - 1	25000		31684 80000 126322
		Thomas R Gilmour Nominee	-- S Aug/81 1	7500		1300 24500
		Edmund Sardachuk Monray & Company PDB Investments Ltd	-- S Aug/81 1 - 1	25000		91560 184000 126522

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
ULTRAMAR COMPANY LIMITED	Common	John A Owers	S Aug/81		5000	---
		Peter Maitland	S Jul/81 X Jul/81	10000	10000	---
		Max Bayer	SI Aug/81 X	10526		10526
UNICAN SECURITY SYSTEMS LTD	Common	Unican Security Systems Ltd Amended	May/81	4600		36830
UNION CARBIDE CANADA LIMITED	Common	John S Dewar Company Savings Plan	DS Aug/81 I	76		76
UNITED STATES STEEL CORPORATION	Common	Raymond D Ryan	S Aug/81 F	1266		1266
VERSATILE CORPORATION	Class B Common	Douglas A Berliss	DI Aug/81		400	4703
VICTORIA AND GREY TRUSTCO LIMITED	Common	William Somerville	D Aug/81	26		9926
VS SERVICES LTD	Common	Robert E Boone	DS Aug/81	400		1401
		James E Graham	DS Aug/81	400		2832
VULCAN INDUSTRIAL PACKAGING LIMITED	Common	Albert J Cavan	DSB Aug/81	2000		447910
WAINOCO OIL CORPORATION	Common	William A Faubion	S Jun/81 X	23400		105136
		Ronald F Wilson	S Jul/81		500	---
		John B Ashmun	DSB Aug/81		1000	1049512
WAJAX LIMITED	Class A Common	Ronald W Chorlton Chorcam Management	DS Aug/81 - 1	900		195468 167800

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
WARREN EXPLORATIONS LIMITED	Common	Donald T Rankin	D Aug/81	1000		1500
WARRINGTON INC	Common	R D Rogers	S I R			25000
WASABI RESOURCES LTD	Common	Vincent N Harbinson	DS I R			185000
		Peter N Pitcher	D I R			4625
WESTERN BROADCASTING COMPANY LIMITED	Class A Common	Allen T Lambert	D Aug/81	F	2000	---
WESTFIELD MINERALS LIMITED	Common	John P Millenbach	D Aug/81		2000	31000
WOODWARD STORES LIMITED	Class A	Margaret E Southern	D Jun/81	V	500	1000
ZAHAVY MINES LIMITED	Common	Ruby G Lewis	DS Aug/81		2000	18500
ZEPHYR RESOURCES LTD	Common	John G McManus	S Aug/81		1000	908500

NOTICES OF EXEMPT FINANCINGS

REPORTS OF TRADES SUBMITTED ON FORM 20 (AND ITS PREDECESSOR)
UNDER THE SECURITIES ACT 1978

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Aug. 24, 1981	Joe Lacey	Golden Goose Gold Mines Ltd. - common shares	\$ 1.00	5,000 shrs
Aug. 24, 1981	Hubert Baker	"	1.00	12,360 "
Aug. 24, 1981	Harry Friesen	"	1.00	5,000 "
*Aug. 27, 1981	Canada Trustco Mortgage Co.	Hong Kong Bank of Canada - certificate of deposit due August 27, 1986	500,000.00	1 cert.
Aug. 27, 1981	Victoria and Grey Trust Company	"	500,000.00	1 "
Aug. 18, 1981		Cullation Lake Gold Mines Ltd. Promissory Notes	2,200,146.00	\$ 2,200,146.00
*Aug. 20, 1981	Ciments Lafarge France S.A.	Canada Cement Lafarge Ltd. - series "B" conv. redeemable second preferred shares	14.47	7,256,392 shrs
Aug. 31, 1981	The Mutual Life Assurance Co. of Canada	Seven Oaks General Hospital - 15 3/4% debentures due August 21, 2001	8,000,000.00	\$ 8,000,000.00
Aug. 24, 1981	Vancouver Syndicate	Silverside Resources Inc. - common shares and 300,000 warrants entitling purchasers to purchase 1 common share for each four warrants at a price of \$1.00 per share	.60	300,000 shrs

* Report improperly filed

Continued

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Aug. 27, 1981	W. G. Investment	Ulster Petroleum Ltd. - units	\$ 130,000.00	1 unit
Aug. 27, 1981	A. G. Investments	"	130,000.00	1 "
Aug. 27, 1981	Donald H. Page	"	130,000.00	2 units
Aug. 27, 1981	Jarob Investments	"	130,000.00	1 unit
Aug. 27, 1981	P F Y G H Associates	"	130,000.00	1 "
Aug. 27, 1981	R O T D Partnership	"	130,000.00	1 "
Aug. 27, 1981	William Jenniskens	"	130,000.00	1 "
Aug. 27, 1981	Mr. R. Schurry	"	130,000.00	1 "
Aug. 26, 1981	S.I.S. Explorations Corporation	South Western Ontario Venture Fund - common shares	1.00	125,000 shrs
Aug. 31, 1981	Ira Morris	Silvermint Refining Ltd. - common shares	.50	10,000 "
Aug. 31, 1981	Friedland Family Trust	"	.50	10,000 "
Aug. 31, 1981	C O L Developments Ltd.	"	.50	1,500 "
Aug. 31, 1981	Kurt Orlik	"	.50	4,000 "
Aug. 31, 1981	Larry Pleet	"	.50	2,000 "
Aug. 31, 1981	Quantrell Properties Inc.	"	.50	10,000 "
July 2, 1981	Venturetek Inter- national Limited	Pop Shoppes International Inc.- second preference shares	2.62	478,000 "
Aug. 12, 1981	William A. Rothfield	Ricinus Resources Limited units	100,000.00	1 unit
Aug. 12, 1981	Dr. William Wankling	"	100,000.00	1 "
Aug. 12, 1981	Dr. Alex Neil	"	100,000.00	1 "

Continued

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Aug. 12, 1981	Miles H. Patterson, Q.C.	Ricinus Resources Limited - units	\$ 100,000.00	1 unit
Aug. 12, 1981	William Maier in trust	"	100,000.00	1 "
Aug. 12, 1981	Navigation Netumar Ltd.	"	100,000.00	1 "
Aug. 12, 1981	Philip Gainsbury in trust	"	100,000.00	1 "
Aug. 12, 1981	Philip Gainsbury	"	100,000.00	1 "
Aug. 12, 1981	Allen Mendelman	"	100,000.00	1 "
Aug. 12, 1981	Miracle Management Ltd.	"	100,000.00	1 "
Aug. 12, 1981	Michael Steinberg	"	100,000.00	4 units
Aug. 12, 1981	Cartrdan Holdings Ltd.	"	100,000.00	2 "
Aug. 12, 1981	G & C (1981)	"	100,000.00	10.5 "
Aug. 12, 1981	B. N. & G (1981)	"	100,000.00	7 "
Aug. 12, 1981	Joseph Frieberg	"	100,000.00	1 unit
Aug. 12, 1981	Albert J. Latner	"	100,000.00	1 "
Aug. 12, 1981	Flatt-Wolfe Invest- ments Ltd.	"	100,000.00	1 "
Aug. 12, 1981	Frank J. Wolfe	"	100,000.00	1 "
Aug. 12, 1981	Irving Himmel	"	100,000.00	1 "
Aug. 12, 1981	William Krehm	"	100,000.00	1 "
Aug. 12, 1981	Albert R. Gellman	"	100,000.00	1.5 units
Aug. 12, 1981	Paul G. Morton	"	100,000.00	1 unit
Aug. 12, 1981	Alfred H. Freeman	"	100,000.00	1 "
Aug. 12, 1981	John L. Tiveron	"	100,000.00	1 "
Aug. 12, 1981	H. Douglas Hunter	"	100,000.00	3 units

Continued

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Aug. 12, 1981	Walwyn Stodgell Cochran Murray	Ricinus Resources Limited - units	\$ 100,000.00	1 unit
Aug. 12, 1981	Abe Posluns	"	100,000.00	1 "
Aug. 12, 1981	Harlesden Invest- ments Limited	"	100,000.00	1 "
Aug. 13, 1981	Mr. J.D. Baker	Reed Stenhouse Companies Limited class "A" shares	11.25 to 11.75	68,133 shrs

FORM 21 (AND ITS PREDECESSOR) - RESALE OF SECURITIES

<u>Date of Resale</u>	<u>Date or Original Purchase</u>	<u>Seller</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
*Sep. 2, 1981	July 25, 1979	Lease-Rite Corporation Ltd.	Blake Resources Ltd. - common shares	2.50	15,000 shrs
Aug. 18, 1981	Aug. 17, 1979	Resolute Petroleums Ltd.	Augdome Corp. Ltd. - common shares	2.50	75,000 "
Aug. 27, 1981	Aug. 27, 1980	Unicorp Financial Corporation	Trinity Resources Ltd. - common shares	17.50	10,000 "

NOTICE OF INTENTION TO DISTRIBUTE SECURITIES PURSUANT TO SUBSECTION 7 OF SECTION 71

<u>Seller</u>	<u>Security</u>	<u>Amount</u>
Lion Diversified Investments Limited	The Cadillac Fairview Corporation Limited - Preference shares, series "A"	361,548 shrs
P. Murray Palin	Bighart Oil and Gas Ltd. - common shares	13,800 "
Thomas Jefferson Waggoner III	Trans Western Exploration Inc. - common shares	50,000 "

* Report improperly filed

CONTINUOUS DISCLOSURE FILINGS

MATERIAL RECEIVED PURSUANT TO THE ACT & REGULATIONS

A ANNUAL FINANCIAL STATEMENTS
B INFORMATION CIRCULAR (FORM 30) OR REPORT (FORM 28)
C INTERIM FINANCIAL STATEMENTS
D TAKE-OVER, ISSUER BIDS AND RELATED MATERIAL
E OTHER REPORTS
F REPORT OF MATERIAL CHANGE (FORM 27)

ALBERTA NATURAL GAS COMPANY LTD.	C
AMCA INTERNATIONAL LTD.	E
AMERACRUDE INTERNATIONAL INC.	E
AMERICAN EXPRESS COMPANY	C
ANGLO-PERMANENT CORPORATE HOLDINGS LIMITED	C
ASBESTOS LLOYD MINES LIMITED	C
ATCO LTD.	E
ATLANTIC RICHFIELD COMPANY	C
AUTOMOTIVE HARDWARE LIMITED	E
BANISTER CONTINENTAL LTD.	C
BANK OF NOVA SCOTIA	C
BANNER PORCUPINE MINES LIMITED	E
BARYMIN EXPLORATIONS LIMITED	E
BASIC RESOURCES INTERNATIONAL S.A.	E
BLACKWOOD HODGE (CANADA) LIMITED	C
BOMAC BATTEN LIMITED	C
BOMBARDIER INC.	C
BROULAN REEF MINES LIMITED	E
C & C YACHTS LIMITED	C E
CAMFLO MINES LTD.	E
CAMPBELL RED LAKE MINES LIMITED	C
CAMPEAU CORPORATION	E
CANADA CEMENT LAFARGE LTD.	E
CANADA MALTING CO. LIMITED	E
CANADA NORTHWEST LAND LIMITED	C
CANADEX RESOURCES LIMITED	E
CANADIAN FOREMOST LTD.	C
CANADIAN FOUNDATION COMPANY LTD.	C
CANADIAN GENERAL ELECTRIC COMPANY LIMITED	C
CANADIAN MANOIR INDUSTRIES LIMITED	E
CANADIAN MARCONI COMPANY	C
CANADIAN RESERVE OIL & GAS LTD.	C E
CANADIAN WESTERN NATURAL GAS COMPANY LIMITED	C
CANNON MINES LIMITED	E
CANUC RESOURCES INC.	E
CANUSA ENERGY LTD.	E
CARA OPERATIONS LIMITED	E
CARBREW EXPLORATIONS LIMITED	C
CARLING COPPER MINES LIMITED	C

CASTLEBAR SILVER & COBALT MINES LIMITED	E
CAWTHRA APARTMENTS LIMITED	C
CENTRAL PATRICIA LIMITED	E
CHIEFTAIN DEVELOPMENT CO. LTD.	E
CLAIBORNE INDUSTRIES LIMITED	E
CLARION PETROLEUMS LTD.	E
COIN LAKE GOLD MINES LTD.	E
COMAPLEX RESOURCES INTERNATIONAL LTD.	C
COMBINED INTERNATIONAL CORPORATION	E
COMTERM INC.	C
CONDUITS-AMHERST LIMITED	C
CONSOLIDATED PIPE LINES COMPANY	C
CONSOLIDATED PROFESSOR MINES LIMITED	C
CONSOLIDATED RAMBLER MINES LIMITED	E
CONSOLIDATED REACTOR URANIUM MINES LTD.	C E
CONSOLTEX CANADA INC.	E
CONWEST EXPLORATION COMPANY LIMITED	C E
COPP CLARK LIMITED	A C
CUVIER MINES INC.	C
CYPRUS ANVIL MINING CORPORATION	E
D'ELDONA GOLD MINES LTD.	E
DASHER RESOURCES LTD.	C
DICKENSON MINES LTD.	E
DOME MINES LIMITED	C
DOMINION STORES LIMITED	D
EDOMAR RESOURCES LTD.	C
ELMWOOD RESOURCES LTD.	C
EMPRESA FLUORSPAR MINES LIMITED	C
ENSERCH CORPORATION	C
EVERGREEN ENERGY RESOURCES LTD.	C
EXTENDICARE LTD.	C
FATHOM OCEANOLOGY LIMITED	C
FEDERAL INDUSTRIES LIMITED	C
FIRST CANADIAN GOLD CORPORATION INC.	C
FIRST CITY FINANCIAL CORPORATION LTD.	C
FIRST CITY TRUST COMPANY	C
FOLLANSBEE RED LAKE GOLD MINES LIMITED	C
FORD MOTOR COMPANY	C
FORD MOTOR COMPANY OF CANADA LTD.	C
FOUR SEASONS HOTELS LIMITED	C
FRIGHT, THE	E
G.M. RESOURCES LIMITED	C
G.S.W. INC.	C
GALTACO INC.	E
GANE PETROLEUM CORPORATION LTD.	A
GAS	E
GASCOME OILS LTD.	E
GENENERGY RESOURCES LTD.	C E
GENERAL AMERICAN PROPERTIES INC.	E
GENERAL HYDROCARBONS LIMITED	E
GEOCRUDE ENERGY INC.	C
GESCO DISTRIBUTING LTD.	B
GLENCAIR RESOURCES INC.	A B
GOLDALE INVESTMENTS LIMITED	C
GOLDLUND MINES LIMITED	C E
GOTAAS-LARSEN SHIPPING CORPORATION	C
GOTHIC MINES & OILS LIMITED	C

GOWGANDA SILVER MINES LIMITED	E
GRASSET LAKE MINES LIMITED	C
GREAT LAKES NICKEL LTD.	C
GREAT WEST STEEL INDUSTRIES LTD.	C
GULCH RESOURCES LTD.	E
GULF & WESTERN INDUSTRIES, INC.	C
HALEY INDUSTRIES LIMITED	C
HANSON MINERAL EXPLORATION LIMITED	C
HAYES-DANA INC.	C
HEARNE YELLOWKNIFE MINES LIMITED	C
HEMISPHERE FUND INC.	C
HOLLINGER ARGUS LIMITED	D
HOLMER GOLD MINES LIMITED	C
HUCAMP MINES LIMITED	C
HUDSON'S BAY OIL AND GAS COMPANY LIMITED	E
HUSKY OIL LTD.	C
IMASCO LIMITED	C
IMPERIAL LIFE ASSURANCE COMPANY OF CANADA, THE	E
INDUSTRIAL DIVIDEND FUND LIMITED	C
INEXCO OIL COMPANY	E
INFINITUM GROWTH FUND INC.	A B
IVEST FUND INC.	C
J-Q RESOURCES INC.	C
JAMESTOWN EXPLORATIONS INC.	C
JOFFRE RESOURCES LTD.	E
JOREX LIMITED	C
KALROCK DEVELOPMENTS LIMITED	A B
KAM-KOTIA MINES LIMITED	E
KAMLO GOLD MINES LIMITED	A
KERR-MCGEE CORPORATION	E
LASSITER KUMA OILS LTD.	E
LAVA CAP RESOURCES LTD.	C
LEHNDORFF CORPORATION	C
LEIGH INSTRUMENTS LIMITED	E
LEVER BROTHERS LIMITED	C
LONE PINE RESOURCE EXPLORATIONS LIMITED	C
LOUISIANA LAND AND EXPLORATION COMPANY, THE	C
LUMAX OIL & GAS INC.	C
LYNX-CANADA EXPLORATIONS LTD.	E
M & M PORCUPINE GOLD MINES LIMITED	C
M.T.S. INTERNATIONAL SERVICES INCORPORATED	F
MAGNASONIC CANADA LTD.	C
MAISLIN INDUSTRIES LTD.	C
MARITIME ELECTRIC COMPANY LIMITED	C
MASSEY-FERGUSON LIMITED	C
MATACHEWAN CONSOLIDATED MINES LIMITED	C
MAYNARD ENERGY INC.	E
McCHIP RESOURCES INC.	C
McINTYRE MINES LIMITED	E
MSR EXPLORATION LTD.	C
MERLAND EXPLORATIONS LIMITED	E
MESTON LAKE RESOURCES INC.	C
MEXTOR MINERALS LIMITED	C
MITEL CORPORATION	C
MOLCO INDUSTRIES LIMITED	C
MOUNT JAMIE MINES LIMITED	C
MUSCOCHO 1980-81 AND COMPANY LIMITED	C
N B COOK CORPORATION LTD.	F

N.S.R. RESOURCES INC.	C
N.W.T. COPPER MINES LIMITED	E
NATIONAL BANK OF CANADA	E
NATIONAL SEA PRODUCTS LIMITED	C
NATIONAL TRUST COMPANY, LIMITED	E
NEVASCO CORPORATION	C
NEW DOMINION RESOURCES LIMITED	C
NEW MOUNT COSTIGAN MINES LIMITED	C
NEW REDWOOD GOLD MINES LIMITED	C
NEWCREST DEVELOPMENTS LIMITED	C
NICKEL RIM MINES LIMITED	C
NIMROD RESOURCES LTD.	C
NORANDA MINES LIMITED	F
NORLEX MINES LIMITED	C
NORTHERN FRONTIER GENERAL INSURANCE COMPANY LIMITED, THE	C
NORTHERN TELECOM LIMITED	E
NORTHGATE EXPLORATION LIMITED	F
NORTHSTAR RESOURCES 79-80	C
NORTHSTAR RESOURCES 80-81	C
NOVA-CO EXPLORATION LIMITED	C
O'BRIEN ENERGY & RESOURCES LIMITED	E
OAKWOOD PETROLEUMS LTD.	C
OCEANUS INDUSTRIES (BAHAMAS) LIMITED	C E F
OCELOT INDUSTRIES LIMITED	B C
ODYSSEY INDUSTRIES INCORPORATED	C
OMEGA HYDROCARBONS LTD.	E
ONTEX RESOURCES LIMITED	C
ONYX PETROLEUM EXPLORATION COMPANY LTD.	C E
PACIFIC NORTHERN GAS LTD.	C
PAGE PETROLEUM LTD.	C E
PALOMA PETROLEUM LTD.	C E
PAN CANA RESOURCES LTD.	C E
PAN-CANA 80	C
PARAGON EXPLORATIONS LIMITED	C
PARLAKE RESOURCES LIMITED	C
PARQUET RESOURCES INC.	C
PAT GOLD MINES LIMITED	A
PE BEN OILFIELD SERVICES LTD.	C
PEMBINA PIPELINE LTD.	C
PENN WEST PETROLEUM LTD.	C E
PENNANT RESOURCES LIMITED	C
PETROCO OF TEXAS, INC.	C
PHILLIPS CABLES LIMITED	C
PHOENIX CANADA OIL COMPANY LIMITED	C
PONY SPORTING GOODS LIMITED	C E
POP SHOPPES INTERNATIONAL INC.	E
PORTFIELD INDUSTRIES INC.	C
POWER CORPORATION OF CANADA	E
PROSOCCER LIMITED	C
Q.M.G. HOLDINGS INC.	C
QUASAR PETROLEUM LTD.	C
R.L. CRAIN INC.	E
RAMBLER OIL COMPANY	C E
RANGER OIL LIMITED	E
REDFORD MINES INC.	C
REED INC.	C
REED STENHOUSE COMPANIES LIMITED	C
REVELSTOKE COMPANIES LTD.	C E

ROBINSON, LITTLE & CO. LTD.	C
ROGERS CABLESYSTEMS INC.	E
ROYAL BANK OF CANADA, THE	E
ROYAL TRUST "A" FUND	C
ROYAL TRUST "B" FUND	C
ROYAL TRUST "C" FUND	C
ROYAL TRUST "E" FUND	C
ROYAL TRUST "M" FUND	C
SAN JUDAS MOLYBDENUM CORPORATION LIMITED	C
SANRETA OILS & GAS RESOURCES LTD.	E F
SANTA MARIA RESOURCES LIMITED	C
SCEPTRE 1980-81 PROGRAM	A C
SCEPTRE RESOURCES LIMITED	C E
SCINTREX LIMITED	E
SCOTTISH & YORK HOLDINGS LIMITED	C
SCURRY-RAINBOW OILS LIMITED	E
SEAWARD RESOURCES LTD.	C
SEEK RESOURCES LTD.	A
SELKIRK COMMUNICATIONS LIMITED	E
SEVERN MINES LIMITED	C
SHELL CANADA LIMITED	E
SHELTER HYDROCARBONS 78-1	C
SHELTER HYDROCARBONS 79-1	C
SHELTER HYDROCARBONS 80-III	C
SIGMA MINES (QUEBEC) LIMITED	C
SIMCOE ERIE INVESTORS LIMITED	C
SLATER STEEL INDUSTRIES LIMITED	A
SPAR AEROSPACE LIMITED	E
ST. LAWRENCE CEMENT INC.	C
STANDARD BROADCASTING CORPORATION LIMITED	E
STANDARD OIL COMPANY (INDIANA)	C E
STANFORD RESOURCES LIMITED	A B
STARRATT NICKEL MINES LIMITED	C
STERLING TRUST CORPORATION	C
STROM RESOURCES LTD.	C
SUNCOR INC.	E
T D REALTY INVESTMENTS	B E
TAMAN RESOURCES LIMITED	C
TECK CORPORATION	C
TECTONIC ENERGY CORPORATION	E
TEN THOUSAND DAY WAR, THE	C
TENNECO INC.	E
TEXAS INTERNATIONAL COMPANY	E
TEXASGULF INC.	B
TEXCAN ENERGY & RESOURCES INC.	E
THORNCREST EXPLORATIONS LIMITED	C
TIBER RESOURCES LTD.	C
TINTINA MINES LIMITED	C
TORONTO-DOMINION BANK	C E
TRANS MOUNTAIN PIPE LINE COMPANY LIMITED	E
TRANSCANADA PIPELINES LIMITED	E
TRANSPACIFIC ASBESTOS INC.	C
TRIMAC LIMITED	E
TWIN RICHFIELD OILS LTD.	C
UNICORP FINANCIAL CORPORATION	C
UNION GAS LIMITED	E
UNION OIL COMPANY OF CANADA LIMITED	C

UNITED ASBESTOS INC.	B
UNITED CANSO OIL & GAS LTD.	E
UNITED TIRE & RUBBER CO. LIMITED	E
UNIVERSAL EXPLORATIONS LIMITED	E
VETINA ENERGY RESOURCES LTD.	A B C
WAINOCO 77 CANADA	C
WAINOCO 78 CANADA	C
WAINOCO 79 CANADA	C
WAINOCO 80 CANADA	C
WAINOCO OIL CORPORATION	E
WAITE DFAULT MINES LIMITED	C
WALL & REDEKOP CORPORATION	E
WESTCOAST PETROLEUM LTD.	C E
WESTFORT PETROLEUMS LTD.	E
WESTERN BROADCASTING COMPANY LTD.	C
WESTMIN RESOURCES LIMITED	C
WHIM CREEK CONSOLIDATED N.L.	C
WIMBERLEY RESOURCES LTD.	C
YORK RUSSEL INC.	E F
YOUNG-DAVIDSON MINES LIMITED	C
ZAHAVY MINES LIMITED	B
ZENMAC EXPLORATIONS LIMITED	E
ABITIBI ASBESTOS MINING COMPANY LIMITED	C
AEC POWER LTD.	C
ALCAN CANADA PRODUCTS LIMITED	E
ASHLAND OIL INC.	E
BIRON BAY RESOURCES LIMITED	C
CARNEGIE MINING CORPORATION LIMITED	C
GAN-MOR HOLDINGS LTD.	C
FRANCO-SCANDINAVIAN INVESTMENTS INC.	A
HANDY ANDY INC.	C
HANSA PETROLEUM CORPORATION	C
INTERNATIONAL TELEPHONE AND TELEGRAM CORPORATION	C
LONG LAC MINERAL EXPLORATION LIMITED	E
MADSEN RED LAKE GOLD MINES, LIMITED	C
MARCANA RESOURCES LIMITED	C
NORTHWEST TRUST COMPANY	C E
NORTHWEST VENTURES LTD.	A B
ORION CAPITAL CORPORATION	C
PIONEER CHAIN SAW CORPORATION INC.	A C
RESEARCH EQUITY FUND INC.	A
REVELSTOKE COMPANIES LTD.	C
SAVINGS AND INVESTMENT TRUST	C
SHACKLETON PETROLEUM CORPORATION	C
SHELTER/GLENORA 78A	C
SHELTER HYDROCARBONS 80-1	C
SHELTER HYDROCARBONS 80-11	C
SILVER EUREKA CORPORATION	E
SUNGATE RESOURCES LTD.	C
UNITED STATES STEEL CORPORATION	C
UNION CARBIDE CORPORATION	C
UNION MINING CORPORATION	A B

NEW ISSUE AND SECONDARY FINANCING

CLEYO RESOURCES INC.

Receipt issued September 4, 1981 for a prospectus dated August 10, 1981 qualifying for sale in Ontario, on a best efforts basis, 800,000 common shares without par value. If a minimum of 400,000 shares is sold at \$.30 per share, net proceeds to the Company, before expenses, will be \$112,000.00. If a maximum of 800,000 shares is sold at \$.30 per share, net proceeds to the Company, before expenses, will be \$224,000.00. If the maximum number of shares is sold, there will be a secondary offering of 180,000 common shares none of the proceeds of which will accrue to the Company.

PROMOTER: Cleo Clement

MUTEC EQUITIES LTD.

Final receipt issued September 8, 1981 for a prospectus dated September 2, 1981 filed under Section 52(2) of the Act to qualify the issuer as a reporting issuer.

RED PINE CAMP INC.

A final receipt was issued September 2, 1981 for a prospectus dated August 29, 1981 qualifying for sale 300 common shares of the Company at a price of \$250.00 per share to net the Company \$75,000 before deducting the expenses of the issue if all 300 common shares are sold. The maximum number of shares which may be purchased by any one person is ten.

This offering is not underwritten but is offered on a best efforts basis by the Company itself which has obtained registration for this purpose as a security issuer.

RIGHTS OFFERINGS

THE BANK OF NOVA SCOTIA

Material acceptable to the Commission has been received in respect of a proposed Dividend Reinvestment and Share Purchase Plan and a proposed Stock Dividend and Share Purchase Program, both of which will be made available to common shareholders of The Bank of Nova Scotia.

GOLDLUND MINES LIMITED

Material relative to a rights offering of one common share at \$0.95 for each five shares held has been received by and is acceptable to the Commission.

SUBSCRIPTION AGENT: Canada Permanent Trust Company

PRELIMINARY PROSPECTUSES WITHDRAWN

CHADWICK ENERGY CORPORATION

A preliminary prospectus dated April 27, 1981 has been withdrawn at the request of the Company.

SILVER LEAF RESOURCES LTD.

The preliminary prospectus dated June 25, 1981 of Silver Leaf Resources Ltd. has been withdrawn at the request of the Company.

STAPLEY VILLAGE PROPERTIES LIMITED PARTNERSHIP

Preliminary prospectus dated March 18, 1981 was withdrawn August 5, 1981 at the request of the Company.

STATEMENT OF MATERIAL FACTS WITHDRAWN

FIRST CALGARY PETROLEUMS LTD.

The Statement of Material Facts received on May 29, 1981 has been withdrawn at the request of the Company.

PRELIMINARY PROSPECTUSES RECEIVED

September 3, 1981

TransCanada Pipelines Limited

National Issue - Ontario

Offering \$ * (* shares) Cumulative Redeemable Retractable First Preferred Shares Series F at a price of \$ * per share to yield * %.

UNDERWRITERS: Nesbitt Thomson Securities Limited
Wood Gundy Limited
McLeod Young Weir Limited
Midland Doherty Limited

September 9, 1981

The Algoma Steel Corporation, Limited

National Issue-Ontario

Offering \$ * , * % Sinking Fund Debentures, Series L (secured and redeemable) at a price of *.

Underwriters: Wood Gundy Limited
Greenshields Incorporated
Burns Fry Limited

Gogama Explorers Limited

Offering 1,000,000 common shares at a price of \$1.05 per share.

Offered through registered securities dealers.

Sterling Energy Corp.

National Issue - B.C.

Offering 1,100,000 common shares (without par value) at a price of \$3.00 per share.

Agents: Canarim Investment Corporation Ltd.
Gordon Securities Limited
Canavest House Limited

AMENDMENT RECEIVED

September 4, 1981

Sanreta Oil & Gas Resources Ltd.

Amendment #2 dated September 3, 1981 to prospectus dated April 23, 1981 as amended June 12, 1981.

SEPTEMBER 1981

REGISTRATIONS

SECURITIES

INVESTMENT COUNSEL - RESTRICTED

Mr. Seymour Friedland,
423 Avenue Road,
Apt. #2,
Toronto, Ontario. M4V 2H7.
(effective September 4, 1981) New Registration

VOLUNTARY WITHDRAWALS

SECURITIES

INVESTMENT COUNSEL and as PORTFOLIO MANAGER

James S. Clarke Limited,
145 King Street West,
Suite 1710,
Toronto, Ontario.
M5H 3M1.
(effective July 31, 1981) Voluntary Surrender

OTHER INFORMATION

TRANSFER WITHIN ESCROW

Brookbank-Sturgeon Mines Limited

<u>From</u>	<u>To</u>	<u>No. of Shares</u>
Noranda Mines Limited	Voyageur Investments Limited	200,000

Identicard Limited

<u>From</u>	<u>To</u>	<u>No. of Shares</u>
Joseph Pigott	Pigott-Kilbryde Holdings Limited	16,429

ONTARIO OVER-THE-COUNTER MARKET
SUMMARY OF SHARES TRADED

	Month of August		Year-to-Date	
	1981	1980	1981	1980
INDUSTRIAL	4,589,610	1,701,160	5,829,136	12,618,153
MINING	8,201,516	21,965,129	111,469,309	146,893,677
OIL & GAS	3,635,511	4,183,801	46,256,295	32,964,917
	16,426,637	27,850,090	163,554,740	192,476,747

The dollar value for the foregoing trading is not available.

(IN \$000'S)

PROSPECTUSES	MONTH			CUMULATIVE		
	1980			1981		
	Equity	Debt		Equity	Debt	Debt
Bank	-	-	-	-	-	150,000
Film	3,480	-	-	24,260	-	-
Finance	-	-	-	4,000	45,000	244,025
Industrial	52,450	75,000	-	1,573,925	617,500	510,500
M.U.R.3.	-	-	-	22,000	-	-
Natural Resource	1,475	-	-	12,589	-	-
-Mining - Junior	-	-	-	11,000	-	-
- Other	-	-	-	16,060	-	4,742
-Oil & Gas - Junior	-	-	-	229,620	-	-
- Other	40,000	-	-	80,000	-	-
Oil & Gas Program	2,000	-	-	4,028	-	-
S.B.D.C.	-	-	-	60,825	-	-
Miscellaneous	-	-	-	-	-	-
Sub Total	99,405	75,000	-	2,038,307	662,500	909,267
STATEMENTS OF						
MATERIAL FACTS						
Natural Resource	350	-	-	1,550	-	-
-Mining - Junior	-	-	-	1,002	-	-
- Other	800	-	-	8,000	-	-
-Oil & Gas - Junior	-	-	-	10,184	-	-
- Other	-	-	-	-	-	-
Sub Total	1,150	-	-	20,736	-	-
PRIVATE PLACEMENTS						
(F.11 & 19 Sked 1 & 2)	15,112	107,653	268,826	909,904	1,138,679	1,102,100
(F.12 & 19 Sked 3)	10,803	364	-	74,498	27,604	9,962
Sub Total	25,915	108,017	268,826	984,402	1,166,283	1,112,062
TOTAL	126,470	183,017	268,826	3,043,445	1,828,783	2,021,329

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MUTEC EQUITIES LTD.	31K
RED PINE CAMP INC.	31K
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GOLDLUND MINES LIMITED (RIGHTS OFFERING)	32K

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CDC PETROLEUM INC.	140B
CLEMENT, CLEO	31K
CLEYO RESOURCES INC.	31K
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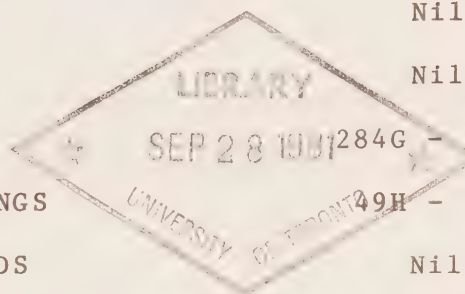
Ontario
Securities
Commission

OSC Bulletin

18TH SEPTEMBER, 1981

VOLUME 2 #10/81

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NOTICES

As a result of recent compliance checks conducted by Commission Staff it has become apparent that certain registrants are not complying with the Regulations under the Securities Act.

The most common infractions uncovered relate to the following requirements:

MONTHLY CALCULATION OF CAPITAL

Section 100(3) 10 requires that a reasonable calculation of minimum free capital, adjusted liabilities and capital required, be prepared for each month within a reasonable time after the month.

These calculations must be prepared to ensure that minimum free capital is maintained at all times.

WRITTEN SUPERVISORY PROCEDURES

Sections 101(1) and 101(3) require that registered dealers and advisors establish procedures for dealing with their clients and that these procedures be in writing.

REPORTING TO THE O. S. C.

Section 122 to 125 require that Financial statements and/or Reports be filed within 90 days of the registrant's financial year. This 90 day deadline is being missed in many cases.

Registrants not meeting the above requirements must immediately take whatever steps are necessary to ensure compliance. In addition it is suggested that registrants review all registration requirements included under Part V of the Regulations.

RE: CANADA PERMANENT MORTGAGE CORPORATION
and GENSTAR CORPORATION

On July 6, 1981 Genstar made a take-over bid for shares of Canada Permanent at prices of \$31 cash per common share and \$36.90 cash per Series A Preference share. Genstar acquired approximately 39% of the voting securities of Canada Permanent on a fully converted basis pursuant to the take-over bid, which expired July 31, 1981.

On August 7, 1981 Genstar agreed to purchase from First City Financial Corporation Ltd. the 53% of the voting securities of Canada Permanent held by First City at prices of \$35 cash per common share and \$41.65 cash per Series A preference share of Canada Permanent.

The Ontario Securities Commission has received an application from counsel to Unicorp Financial Corporation requesting that the Commission take action to cause Genstar to pay to Canada Permanent shareholders who tendered to Genstar's take-over bid the increase in consideration paid by Genstar to First City; that is, an additional \$4 per common share and an additional \$4.75 per Series A preference share of Canada Permanent. Copies of the Unicorp application may be inspected at the Commission's offices on the 7th Floor, 10 Wellesley Street East, Toronto.

The application will be heard at a public hearing at 2:30 p.m. on Thursday, October 1, 1981 at the Commission's offices on the 6th Floor at the above address.

REFERENCE: 963-0216

NOTICE

IN THE MATTER OF THE LISTING OF NON-VOTING,
MULTIPLE VOTING OR RESTRICTED VOTING COMMON SHARES
ON THE TORONTO STOCK EXCHANGE

HEARING LOCATION;
NO SITTING ON TUESDAY 29 SEPTEMBER;
SCHEDULE OF APPEARANCES

As previously announced, the Ontario Securities Commission will be holding a hearing commencing at 10:00 a.m. Monday 28 September as to whether it is in the public interest that non-voting, multiple voting or restricted voting common shares continue to be listed or accepted for trading on The Toronto Stock Exchange.

The location of the hearing will be:

Courtroom 20,
6th Floor,
Courthouse for the Judicial
District of York,
361 University Avenue.

Owing to Tuesday 29 September being a day of religious observance, the hearing will adjourn at its close on Monday 28 September and will resume at 10:00 a.m. on Wednesday 30 September.

A schedule of appearances will be settled by Wednesday 23 September and those who have advised the Secretary to the Commission that they wish to appear will be contacted by the Secretary's office by Friday 25 September as to their placement on the list.

DECISIONS, ORDERS AND RULINGS

IN THE MATTER OF A FEATURE LENGTH MOTION PICTURE
ENTITLED "FINAL ASSIGNMENT"

UPON the application received February 11, 1981 of Cinema One Films Inc. (the "Issuer") to the Ontario Securities Commission (the "Commission") pursuant to sections 79(b)(iii) and 87(2)(b) of the Securities Act, R.S.O. 1980, c.466, (the "Act") in respect of the feature length motion picture film entitled "Final Assignment" (the "Film");

AND UPON it appearing to the Commission that:

The Issuer is owned by Persephone Production Limited ("Persephone"), the principals of which are Lawrence T. Hertzog and Gail Thomson, (the "Persephone Principals") and Seagull Productions Limited, ("Seagull") the principal of which is James G. Shavick (the "Seagull Principal");

The Issuer was incorporated for the sole purpose of producing the Film and, on closing has conveyed certain property in and rights to the Film to purchasers (the "Unitholders") of Units of undivided co-ownership interest (the "Units") in the Film, all as described in a draft Unitholders Agreement by and among the Unitholders (the "Unitholders Agreement") annexed to a prospectus dated November 13, 1979 (the "Prospectus"), certified by the Issuer, filed with the Commission and pertaining to the distribution of the Units;

It is appropriate in the circumstances that the Issuer be responsible for compliance with the requirements of Parts XVII and XVIII of the Act in respect of the affairs of the unincorporated association comprised of the Unitholders (the "Association");

AND UPON the Commission being advised that each of the Issuer, Persephone, Seagull, and the Persephone Principals and Seagull Principal are aware of the importance of compliance by the Issuer with the requirements of this order applicable to the Issuer;

AND UPON the Commission being of the opinion that to make this order would not be prejudicial to the public interest and being satisfied that in the circumstances of this particular case there is adequate justification for so doing;

AND NOW THEREFORE IT IS ORDERED pursuant to Sections 79(b)(iii) and 87(2)(b) of the Act that the Issuer be and hereby is exempted from compliance with the requirements of Parts XVII and XVIII of the Act with respect to its own affairs, subject to the terms and conditions that:

1. The Issuer, Persephone, Seagull, and each of the Persephone Principals and Seagull Principal shall have filed with the Commission a written undertaking, satisfactory in form and content to the Director, in the case of the Issuer to comply with the requirements of Parts XVII and XVIII of the Act in respect of the affairs of the Association as modified by paragraph 3 of this order, and in the case of Persephone, Seagull, and each of the Persephone Principals and Seagull Principal to cause the Issuer to so comply.
2. Except as expressly provided herein, the Issuer shall comply with or cause to be complied with the requirements of Parts XVII and XVIII of the Act in respect of the affairs of the Association;
3. Notwithstanding paragraph 1 of this order, the Issuer shall not be required to comply with or cause to be complied with the requirements of Sections 76(1) and 78 of the Act to file with the Commission and send to Unitholders interim financial statements of the Association, as of the date of this Order, provided that:
 - (a) by a vote of the Unitholders taken at a meeting of Unitholders to be held annually a majority of votes cast shall approve this exemption and the results of such votes, in any case, shall be reported in writing to the Commission within ten business days of the taking thereof;
 - (b) The Issuer shall cause to be filed with the Commission and sent to all Unitholders:
 - (i) semi-annual interim financial statements of the Association prepared in accordance with Section 76(1) of the Act; and
 - (ii) interim financial statements of the Association for any fiscal quarter in which a material change occurs in the affairs of the Association, prepared in accordance with Section 76(1) of the Act, but such statements need not be comparative; and
 - (c) this exemption shall terminate upon the occurrence of a material change in the affairs of the Association unless the Commission is satisfied that the exemption should continue;

4. The Issuer shall have caused an audited Statement of Total Costs of Production of the Film and a copy of the certificate for the Film as a certified feature production by the Secretary of State for Canada to be filed with the Commission and sent to all Unitholders; and a copy of this order to be sent to all Unitholders;
5. The issuer, on or before March 31 of each year, shall cause to be sent to each Unitholder sufficient information for inclusion in the income tax return of such Unitholder the proper income and deductions attributable to the investment of such Unitholder in the Film, including in every such year an explanation of the relevance of the information for income tax purposes;
6. The financial statements of the Association required to be filed with the Commission and sent to all Unitholders pursuant to this order shall be approved by the board of directors of the Issuer and the approval shall be evidenced by the manual or facsimile signatures of two directors of the Issuer duly authorized to signify the approval;
7. For the purposes of compliance by the Issuer with the terms of this order, a reference to an officer, director, or management of a reporting issuer in Parts XVII and XVIII of the Act or the regulations to the Act pertaining thereto shall be deemed to be a reference to an officer, director, or management of the Issuer as the context may require.
8. For the purposes of Sections 75 and 131 of the Act, those persons or companies in a special relationship with the Issuer, Persephone, or Seagull shall be deemed to be persons or companies in a special relationship with the Association, and
9. The exemption from the requirements of Parts XVII and XVIII of the Act granted to the Issuer with respect to its own affairs by this order shall terminate forthwith if the Issuer shall become a reporting issuer within the meaning of Section 1(1)(38) of the Act in connection with an issue of its own securities.

28th August, 1981.

"Henry J. Knowles"

"H. S. Bray"

IN THE MATTER OF THE SEAGRAM COMPANY LTD.

UPON the application of The Seagram Company Ltd. ("Seagram"), initially received and perfected July 24, 1981, to the Ontario Securities Commission (the "Commission") under subclause 79(b)(iii) of the Securities Act, R.S.O. 1980, c.466, (the "Act") for an order exempting Seagram in part from the requirements of Section 77 of the Act and permitting Seagram to file and the Commission to accept financial statements prepared in a manner which varies from the generally accepted accounting principles referred to in subsection 1(3) and section 2 of Ontario Regulation 478/79 and more particularly in a manner which omits disclosure of geographically segmented information in accordance with clause 1700.44 of the principles set forth in the Handbook of the Canadian Institute of Chartered Accountants;

AND UPON reading the material filed and hearing counsel for the Commission and counsel for Seagram and other persons appearing;

AND UPON the Commission not being satisfied in the circumstances of the particular case that there is adequate justification for granting the requested order;

IT IS ORDERED that the application be and is hereby refused.

14th September, 1981.

"Henry J. Knowles"

"H. S. Bray"

PETRO-CANADA ENTERPRISES INC./
ENTREPRISE PETRO-CANADA INC.

UPON the application of Petro-Canada Enterprises Inc./Entreprise Petro-Canada Inc. ("PCE") (formerly Petrofina Canada Inc.) to the Ontario Securities Commission (the "Commission") pursuant to section 79(a)(i) of the Securities Act, R.S.O. 1980, c.466 (the "Act");

AND UPON it being represented that PCE disposed of substantially all of its assets and will continue to operate as a holding company at least until such time as all of the common shares have been acquired;

AND UPON the Commission being of the opinion that to grant this order would not be prejudicial to the public interest;

IT IS ORDERED pursuant to section 79(a)(i) of the Act that PCE may omit from the interim financial for the first quarter ending July 31, 1981, the second quarter ending October 31, 1981 and the third quarter ending January 31, 1982 the comparative financial statements for the corresponding quarters of the fiscal year of PCE ended April 30, 1981.

16 September, 1981.

"Henry J. Knowles"
"G.M. Webster"

"E.S. Miles"

IN THE MATTER OF DOME ENERGY LIMITED
AND HUDSON'S BAY OIL AND GAS COMPANY LIMITED

UPON the application of Dome Energy Limited (the "Applicant") to the Ontario Securities Commission (the "Commission") pursuant to section 99(e) of the Securities Act, R.S.O. 1980, c.466 (the "Act");

AND UPON having considered the material placed on the record at the hearing and the submissions made on behalf of the Applicant, the Commission staff, Hudson's Bay Oil and Gas Company Limited ("HBOG") a special committee of the Board of Directors of HBOG, Hudson's Bay Company and Jarislowsky, Fraser & Company Limited (representing certain minority shareholders of HBOG);

AND UPON it appearing that:

1. The Applicant is a corporation incorporated under the laws of Canada;
2. Pursuant to an agreement with Conoco Inc. dated as of June 1, 1981 (the "Purchase Agreement"), the Applicant acquired approximately 52.9% of the outstanding common shares of HBOG;
3. The Applicant has proposed a plan of arrangement pursuant to section 185.1 of the Canada Business Corporations Act (the "CBCA") which is subject to the approval of the Court of Queen's Bench of Alberta (the "Court"), the effect of which would be to permit the Applicant or its nominee to acquire, subject to the rights granted to dissenting shareholders under the CBCA, all of the issued shares of HBOG not already owned by the Applicant in exchange for the issue either directly or indirectly of Convertible Preferred Shares or Special Preferred Shares of Dome Petroleum Limited.

AND UPON having formed the opinion that to grant this order would not be prejudicial to the public interest;

IT IS ORDERED pursuant to section 99(e) of the Act that the Applicant be and is hereby exempt from any requirements of section 91(1) of the Act applicable to the Applicant in respect of the common shares of HBOG, provided that:

1. The Applicant proposes to the Board of Directors of HBOG for submission to the shareholders of HBOG a plan of arrangement (the "Plan") pursuant to Part XIV of the CBCA which shall specifically provide that:
 - (a) the Plan is one which must be approved at a special meeting of the shareholders of HBOG which is duly called for the purpose of considering same pursuant to an order of the Court;
 - (b) at such meeting the Plan be approved by at least 66 2/3% of the votes cast by the holders of the common shares of HBOG present in person or represented by proxy and such other vote, if any, as the Court may require;
 - (c) each shareholder of HBOG be granted the right to dissent from the special resolution approving the Plan pursuant to section 184 of the CBCA;
 - (d) if the Plan is so approved, it is resubmitted to the Court for a hearing for judicial approval of such Plan which court hearing will consider and hear, if the Court so approves, evidence respecting the fairness of the terms and conditions of the Plan; and
 - (e) at such court hearing all shareholders of HBOG will have the right, if the Court so approves, to appear and to file evidence with respect to the fairness of the terms and conditions of the Plan.
2. The Plan is implemented upon terms acceptable to the Court by November 30, 1981, or such later date as the Commission may order upon further application.
3. The Plan makes available to the remaining shareholders of HBOG a consideration per share at least equal in value to the consideration paid to Conoco Inc. under the Purchase Agreement.
4. This order shall not affect the right of any interested party to make a further application

pursuant to section 99 of the Act in respect
of the matters dealt with herein.

16 September, 1981.

"Henry J. Knowles"
"E.S. Miles"
"A.T. Holland"

"Harry S. Bray"
"G.M. Webster"

REASONS: DECISIONS, ORDERS, RULINGS

IN THE MATTER OF THE SECURITIES ACT, 1978

AND

IN THE MATTER OF THE SEAGRAM COMPANY LTD.

Hearings: August 25 and 28, 1981

Present: Henry J. Knowles, Q.C. - Chairman
Harry S. Bray, Q.C. - Vice-Chairman
Robert T. Morgan - Commissioner
E. Stuart Miles - Commissioner
Stuart Thom, Q.C. - Commissioner
A.T. Holland - Commissioner

Phillip F. Vineberg, Q.C.) Counsel to the
Robert J. Carew) Applicant

Ronald Rodgers - Staff Counsel

This was an application made by The Seagram Company Ltd. ("Seagram") for an order under Section 79 of the Securities Act (now R.S.O. 1980, c. 466, "the Act") for a ruling,

"(A) THAT the Commission determines that the Applicant's presentation of geographic data on a segmented basis, as set forth in Note 10 to the Applicant's Financial Statements in respect of the Applicant's fiscal year ended

- (B) In the alternative, that the Commission determine that the Applicant not be required to disaggregate in its financial statements financial information with respect to Canada and the United States as separate segments, since such disaggregation would be confusing and potentially materially misleading to the Applicant's shareholders and the investment community."

At the conclusion of argument, Mr. Vineberg requested that, if the Commission were not inclined to grant either of these applications, it take note of the fact Seagram's July 31, 1981, Financial Statements were being prepared and audited and that Seagram not be required to provide segmented information for the 1980 year but rather it be permitted to include the information in its 1981 Financial Statements.

The Act and its regulations require that financial information required to be filed under Section 77 of the Act should be made up and certified as required by the regulations and in accordance with generally accepted accounting principles ("gaap"). Section 1(3) of the Regulation to the Act states,

"...for the purposes of the Act and this Regulation, where a recommendation has been made in the Handbook of the Canadian Institute of Chartered Accountants which is applicable in the circumstances, the terms "generally accepted accounting principles", "auditor's report" and "generally accepted auditing standards" means the principles, report and standards, respectively, recommended in the Handbook."

Seagram is a federal company continued under and subject to the Canada Business Corporations Act ("C.B.C.A."). Its securities are listed on a number of major stock exchanges, including The Toronto Stock Exchange. It is a "reporting issuer" as that term is defined by the Act and is therefore subject to the continuous disclosure requirements of Part XVII of the Act, including the requirements of Section 77.

Section 1700.07 of the Handbook requires disclosure in the financial statements of reporting issuers of,

"...information which segments its total operations first by industry and second by

geographic area. In addition, such an enterprise should disclose the amount of its export sales."

This "recommendation" (requirement) was published in April, 1979, and applied to financial statements for the fiscal years commencing June 1, 1979. So far as Seagram is concerned it applied first to its July 31, 1980 Financial Statements. The Commission staff commenced reviewing financial statements filed to be assured that there had been general compliance with the new segmented information requirements. This indication of staff concern appears to have led to the Seagram application.

Through Note 10 to its Financial Statements, Seagram purports to comply with the segmented information requirements by identifying the following geographic segments, North America, Europe, Latin America and Australasia. Canada and the United States are not segregated. The audit report of Price Waterhouse & Co. ("P.W.") to the Seagram shareholders opines that the Financial Statements, without qualification, are in accordance with gaap.

Clauses .36 to .44 of Section 1700 of the Handbook deal with the requirements for geographic segmenting. Clause .36 explains the purpose of geographic segmentation. Clause .37 then states,

"When presenting segmented information concerning an enterprise's operations in various geographic areas, it is important to distinguish between foreign and domestic operations. For purposes of this Section, a multinational enterprise's domestic operations would be considered a separate geographic segment."

Section 1700.44 details what must be disclosed for each reportable "foreign geographic segment".

In examining the scope of these requirements Section 1700.04 notes,

"An enterprise's domestic operations may derive revenue from sales to customers in the enterprise's country of domicile and from sales to customers in foreign countries, i.e., export sales. An enterprise may rely significantly on revenue arising from export sales of its domestic operations. In such circumstances, knowledge of the extent of such export sales is considered important to financial statement

users in order to fully assess the enterprise's business risk."

Seagram is a holding company encompassing a range of domestic and foreign subsidiaries, involved so far as the Canadian assets are concerned in distilling, warehousing and marketing Canadian produced spirits both in Canada and elsewhere. Its principal foreign market is the United States of America. No details were offered in evidence breaking down these elements between Canada, the United States of America and elsewhere by the Applicant. Instead its witnesses spoke in global figures with the Canadian assets, including production and the profits taken in Canada, being variously described in the 1980 financial year as being just under 10% of the global figures. Its relative importance in the 1981 financial year is said to be significantly less.

Seagram argues that the United States of America and Canada constitute a "domestic" market for it. This militates against making any comparison, in terms of Section 1700.36, of differences between the levels of risk, rates of profitability and opportunities for growth that differ from those that exist in the enterprise's country of domicile, which we find to be Canada.

Through its witnesses, including an audit partner of P.W., the Applicant maintained that the most meaningful presentation of Seagram's operations on a geographically segmented basis was obtained by combining Canada and the United States of America as one geographic segment comprising its "domestic" operations. The position of management is articulated and approved by P.W. in its letter dated August 17, 1981, Exhibit 5 (which was prepared for another purpose), which states, in part, as follows,

"...Based on our discussion with the company's management, the degree of integration of the company's business in Canada and the United States is such as to cause them to be interdependent to an extent that the risks associated with such business and, as a consequence, the operating profits, are not divisible."

The letter goes on to next state,

"In our judgment the arguments put forward by the company's management are valid and the presentation of Canada as a separate geographic segment might be materially misleading.

Section 1700 of the Handbook is based, in part, on the premise that fair presentation of segmented data on a geographic basis will be obtained by treating an enterprise's domestic operations as being a separate geographic segment. We are satisfied that in the circumstances of The Seagram Company Ltd. the treatment of Canada as a separate segment would not result in fair presentation and accordingly, we have concluded that Section 1700 is not applicable in that particular respect. On this basis it is our opinion that the disclosure of geographic segmented data provided in the financial statements of The Seagram Company Ltd. is in accordance with generally accepted accounting principles..." (Emphasis added.)

The letter then adds that in reaching this conclusion P.W. was relying on the general discretion set out in the Introduction to Accounting Recommendations, under the heading "Application" which states, in part,

"1. In issuing Recommendations, the Accounting Research Committee recognizes that no rule of general application can be phrased to suit all circumstances or combination of circumstances that may arise, nor is there any substitute for the exercise of professional judgment in the determination of what constitutes fair presentation or good practice in a particular case..."

The importance of segmented reporting to investors is not questioned by the Applicant. We therefore do not dwell on it nor find it necessary to review the reasons which led to the adoption in the Act and Regulation of the Handbook standards. Suffice it to say, from an investor's view and particularly those of his professional advisors, in order to assess the relative merits of publicly traded issuers having some or similar characteristics, their financial statements should conform to similar standards. We noted that another major distiller, which is also multinational with other industry segments, found it possible to distinguish between Canada and the United States of America in accordance with Section 1700.44.

We are of the view that the Handbook clearly contemplates, where the reporting issuer is a company incorporated in any Canadian jurisdiction, that Canada should

be distinguished from the United States of America. We are not persuaded on the evidence before us that the necessary result of such segmented reporting would, in the terms of the P.W. letter, the evidence and the submissions, be materially misleading. However, notwithstanding the fact that the Applicant was not able to carry the argument before us, we think that the ultimate decision as to whether P.W. properly exercised its professional judgment in concluding that the disaggregation of the Canadian and United States of America information would result in an unfair presentation, one which might be materially misleading, is one which might more properly be tested, in the first instance, by the professional institutes of which P.W. is a member and which subscribe to the standards in the Handbook.

We have noted that in the general standards found in Section 1500.06 of the Handbook it states,

"Where the accounting treatment or statement presentation does not follow the recommendations in this Handbook, the practice used should be explained in notes to the financial statements with an indication of the reasons why the recommendation concerned was not followed..."

Such an explanation is absent from the Seagram's Financial Statements. There is no reference to this deficiency in the auditor's report. We think the requirement is a useful one, enabling the auditor to point to the evidence upon which it based the exercise of its professional judgment. We further believe that it would be appropriate, in a case such as the present one where the audit partner testified that P.W. was able to give an unqualified opinion based on the reasoning set out in the P.W. letter, that the basis of the opinion should be elaborated upon in the auditor's report. This will explain to the reader who, like the Commission's staff, is puzzled as to the reasons for the failure of management, to comply with what we find are the clear requirements of the Handbook in this case, to segment geographically between Canada and the United States of America. In addition, the auditor should be prepared to explain in its report the basis upon which it exercised its professional judgment thereby enabling it to offer an unqualified opinion that the financial statements complied with gaap.

In the present case, absent such an explanation in its report by the auditor which may be tested as appropriate by a self regulatory accounting body, such as the Ontario Institute of Chartered Accountants, we expect to see appropriate segmentation, with explanations as to its limits

and deficiencies so as to be assured that the reader will not be misled, in the 1981 Seagram Financial Statements. We agree that there is little point in requiring an addendum to the 1980 Financial Statement at this juncture and propose taking no further action to force compliance.

10 September, 1981.

"Henry J. Knowles"

"R.T. Morgan"

"Stuart Thom"

"Harry S. Bray"

"E.S. Miles"

"A.T. Holland"

REASONS: DECISIONS, ORDERS, RULINGS

IN THE MATTER OF THE SECURITIES ACT, 1978,

AND

IN THE MATTER OF BARBARA A. DANUKE,
JAMES M. MACDONALD,
DONALD J. SCOTT, AND
WILLIAM J. SEITZ

Hearings: July 7, 8 and 29, 1981

Present: Henry J. Knowles, Q.C. - Chairman
Harry S. Bray, Q.C. - Vice-Chairman
Robert T. Morgan - Commissioner
William A. Simonton, F.C.A. - Commissioner
Stuart Thom - Commissioner
Geddes M. Webster - Commissioner

Brian Finlay - Counsel to
Barbara A. Danuke

L. Thomas Forbes, Q.C. - Counsel to James
M. MacDonald

J. Edgar Sexton, Q.C. - Counsel to Donald
J. Scott

Edward A. Tory) Counsel to William
Gavin MacKenzie) J. Seitz

Ronald C. Rodgers - Staff Counsel

BACKGROUND : THE ISSUES

This matter came before the Commission at the instigation of the staff of the Commission:

"to consider whether it is in the public interest to order pursuant to Section 26(1) of the Act (The Securities Act, 1978, S.O. 1978, c.47,

as amended) that the registrations of BARBARA A. DANUKE, JAMES M. MACDONALD AND DONALD J. SCOTT as securities salesmen and the registration of WILLIAM J. SEITZ as a trading officer should be suspended, cancelled or restricted or whether terms and conditions should be imposed upon such registrations or whether such registrants should be reprimanded, and whether it is in the public interest to order pursuant to Section 124(1) of the Act that any or all of the exemptions contained in Sections 34, 71 and 72 of the Act do not apply to such registrants."

As further stated in the Notice of Hearing and admitted at the Hearing:

"At all material times, Barbara A. Danuke ("Danuke"), James M. MacDonald ("MacDonald") and Donald J. Scott ("Scott") were employed by McLeod Young Weir Limited as securities salesmen and William J. Seitz ("Seitz") was employed by McLeod Young Weir Limited as a Vice President and Trading Officer."

The circumstances which gave rise to the Hearing stated in abbreviated form are that Danuke at about 3:30 p.m. on May 12, 1981, became aware through a conversation with an officer of The Toronto-Dominion Bank ("T.D.") in Toronto that T.D. was about to announce its intention to offer to purchase all the assets of TD Realty Investments ("TDRI") by acquiring the outstanding TDRI trust units at a price of \$24.00 per unit. At the time of this conversation T.D.'s intention had not been publicly disclosed. Danuke, immediately following this conversation, communicated the information she had acquired to MacDonald, Scott and Seitz. Quoting further from the Notice of Hearing,

"On the same day (May 12, 1981) and before the Bank's intentions relating to TD Realty had been generally disclosed:

- (a) Danuke purchased for her own account 1000 trust units of TD Realty on the TSE (the Toronto Stock Exchange) at

prices ranging from \$20.75 to \$21 per trust unit;

- (b) Danuke purchased for the account of one of her clients, 600 trust units of TD Realty on the TSE at a price of \$21 per trust unit;
- (c) Scott purchased for his own account 500 trust units of TD Realty on the TSE at prices ranging from \$20.75 to \$21 per trust unit;
- (d) MacDonald purchased for his own account 500 trust units of TD Realty at prices ranging from \$20.75 to \$21 per trust unit; and
- (e) Seitz purchased for the account of one of his clients, 600 trust units of TD Realty at prices ranging from \$20.13 to \$20.50 per trust unit."

TDRI was a reporting issuer within the meaning of the Act and the trust units were listed on the T.S.E. T.D. announced its intention to purchase the units after the close of the market on May 12.

The Commission staff alleged in paragraph 5 of the Notice of Hearing that:

"The conduct of Danuke, MacDonald, Scott and Seitz...was contrary to the public interest and fell below the standard of conduct that may reasonably be expected of registrants."

The Hearing occupied three days during which evidence was given by the four individuals directly involved, the former T.D. officer (in respect of whom the Commission issued an order under Section 124 on July 6, 1981: see OSCB, 1981, volume 2 p.5B), an officer and a former officer of McLeod Young Weir Limited ("MY") and by witnesses who testified as to the character of the individuals and the practices of the trade.

THE EVIDENCE

The findings of the Commission on the evidence presented to it are as follows:

1. Danuke, MacDonald and Scott and a fourth salesman (the "sales group") occupied a trading area on the premises of MY where they shared facilities such as a computerized trading information display screen. They could readily overhear one another's telephone conversations and exchanged information regarding stock prices and market conditions. Seitz was the supervisor for all Toronto sales persons, including the sales group, and occupied his own office adjacent to the trading area in which the sales group was located. He was not in a position to overhear conversation but was available for consultation.
2. Danuke, on May 12, as a consequence of the telephone conversation with her client, the T.D. officer, acquired information regarding the intention of T.D. to purchase the trust units of TDRI and to announce that intention in the immediate future. Casual remarks overheard by Danuke in a restaurant a few days previously, uttered by complete strangers to her, are alleged by her to have provided some background to the information she acquired on May 12 from the T.D. officer. The evidence of Danuke and the former T.D. officer was not clear as to what he told Danuke but the fact is that immediately following that conversation she informed the other members of the sales group of her belief that that afternoon T.D. would announce its intention to purchase the TDRI trust units for \$24.00 per unit. Danuke gave the other members of the sales group to understand that this information had come from a senior officer of T.D.
3. Neither Danuke, MacDonald nor Scott was familiar with the T.S.E.'s trading symbol for the TDRI trust units nor were they aware of the previous relationship between T.D. and MY when MY had been one of the underwriting group when the TDRI units were first distributed in 1972. Danuke went to Seitz's office to get the

TDRI trading symbol so she could access the computer for trading information. This conversation was brief as Seitz was too busy on the telephone. During it Danuke told Seitz of the information she had received regarding the probable offer by T.D. for the TDRI trust units. She did not say that information had come from a T.D. officer. Seitz, an MY employee of long standing, was aware of the relationship between MY and T.D. and knew that the firm had been a party to the original underwriting. He did not make this known to Danuke and he did not comment upon the information she gave to him.

4. Danuke and the other three sales people discussed the significance and validity of the information Danuke had with a view to purchasing trust unit for their own accounts. In their evidence each took pains to characterize this information as rumour. While the other three in the sales group understood Danuke had received information from a T.D. officer there was no discussion as to what specific information had come from that officer. The major area of concern appeared to be the weight that could be given to the information. Of the three sales people who acted on the information only MacDonald gave attention to the ethical responsibilities of registered representatives in such a situation. MacDonald's evidence was that he saw nothing improper in trading for himself on rumours or tips but he was uncomfortable because, if the rumours were true and the announcement was made, there was a possibility of an enquiry and he could be involved.

The trading activities summarized in the quotation from the Notice of Hearing above are relevant to the conduct of the individuals involved and the Commission's disposition of the matter. Records of the T.S.E. and MY produced as evidence show as follows:

A buy order time-stamped by McLeod Young Weir at 3:43 for 2000 units at \$20.50 each

made by Seitz for a client. This order was filled to the extent of 500 units before the price moved to \$20.75 and the balance of the order was not filled. The purchaser was an established client of Seitz who was quite prepared to buy on a speculative basis. Seitz placed this order five minutes after his conversation with Danuke as a result of a subsequent casual telephone call from the client.

A buy order time-stamped 3:47 for 1000 units "at market" placed by Danuke for her own account. This order was filled in two trades - one for 200 units at \$20.75 and the second for 800 units at \$21.00.

A buy order time-stamped 3:48 for 500 units "at market" made by Scott for his own account. This order was not filled. This order was actually made out by MacDonald at Scott's request, Scott being anxious to leave the office to fulfill an engagement. The validity of the order was not questioned by Scott. 500 units were allocated by MacDonald to Scott out of the 1000 units MacDonald bought.

A buy order time-stamped 3:52 for 1000 units at \$21.00 made by MacDonald for his own account. MacDonald split this order so that Scott was allocated 500 units as noted above and MacDonald bought 500 units at the same cost.

A buy order time-stamped 3:56 for 1000 units "at market" made by Danuke for the account of a client. This order followed a casual telephone call from the client to Danuke to discuss his account in the course of which Danuke suggested the purchase of the units. This order was partially filled at \$21.00 and the market closed before it could be completed.

The significance of this trading sequence is that Seitz' client, whose order was placed first at \$20.50, had his order only partially filled before the price rose above the stated limit as the result of orders to purchase at market or \$21.00 made by Danuke, Scott and MacDonald. The other client

order put in by Danuke was too late to be completed. It is noted that none of the four individuals initiated calls to his or her clients. The purchases were recommended by two of them when clients called to discuss their accounts. Each of the three registered representatives bought for his or her own account.

A retired MY employee, Mr. F.J. McCann, gave evidence on behalf of Scott. At the time of his retirement he was the Vice-President in charge of Compliance and Surveillance of MY. He had been engaged in the securities business in various capacities and in various offices since 1936 and among other activities in that field he was active in the financial administrative section of the Investment Dealers' Association of Canada where his function included reviewing and revising its regulations. He stated that he had read the statement given by Scott to the T.S.E. and the Commission investigators and had been present when Scott gave evidence before us. He testified that he was aware of no provision of the Securities Act and the Regulations thereunder or the industry Registered Representative's Manual against which Scott had offended. He added that a good part of the trading in the stock market was based on information that might be either rumour or fact. It was his opinion that a client should not be advised to trade on the strength of rumour although a salesman could do so for his own account. The salesman should not, however, spread rumours.

Mr. Fred M. Ketchen was called as a witness by the Commission staff. He is the Vice-President of MY in charge of equity trading. He stated that at about 4:20 in the afternoon of May 12 he was called by Mr. Neil Winchester, a member of the T.S.E.'s market surveillance staff, with regard to trading by MY during the concluding 20 minutes or so of the market day in TDRI units. Mr. Ketchen was not aware of the trading referred to but made enquiries "into the system" and became informed of the activities of the four individuals detailed above, which information he communicated to Mr. Winchester. Up to that time Mr. Ketchen was not aware of any pending announcement by T.D. and had no reason to believe that MY employees had done anything improper although as he said "we had put the stock up \$1". Before the end of the day he had spoken to Danuke and MacDonald. Seitz and Scott, having left the office, were not available. From these conversations he learned little more than that the three sales persons had acted on the basis of a rumour. On reporting this to Mr. Winchester, the latter indicated that an announcement might be made regarding the purchase of the TDRI units. This announcement was in fact published on the Dow Jones information service about or shortly before five o'clock that afternoon. Mr. Ketchen advised Mr. Winchester that MY would cancel the trades if requested to do

so. Later that evening the matter was brought to the attention of Mr. Austin Taylor, the Chief Executive Officer of MY. The following morning at the request of the T.S.E. the trades, including those of the two clients, were cancelled.

Evidence was given that each of the sales persons was suspended from trading by MY for a period of three days. Danuke subsequently resigned. Scott and MacDonald continue to be employed but under close supervision.

Danuke, Scott and MacDonald are all relatively new to the securities business. None of them has held registration for more than two years. Each of them had passed the Canadian Securities Course, a basic requirement for all persons seeking to be securities sales persons registered under the Act, and the registered representatives examination based upon the Manual for Registered Representatives, a requirement of the T.S.E. Both the text for the Canadian Securities Course and the Manual for Registered Representatives are prepared and published by The Canadian Securities Institute, a national educational organization sponsored by the major Canadian securities self-regulatory bodies, that is the Investment Dealers' Association of Canada and each of the major Canadian stock exchanges, including the T.S.E. Seitz had passed the T.S.E.'s Partners', Directors' and Senior Officers' Qualifying examination. Each had been registered by the Ontario Securities Commission.

FINDINGS OF FACT

Although there are inconsistencies and some contradictions in the evidence given by the four sales persons regarding their activities following the telephone conversation between Danuke and the T.D. officer, it is possible to make definite findings of fact. Danuke gave her associates, Scott and MacDonald, to understand that her information came from a Vice President of the bank, that the announcement of the purchase of the TDRI trust units was imminent, and that the price would be \$24.00. None of the sales persons was familiar with the TDRI units and no steps were taken by them to determine their market quality other than to get information regarding their recent trading range. Seitz was better informed, having followed TDRI for some time. He was aware of the yield and potential as a speculation. When his client called he recommended their purchase as something in which the client might have an interest. He insisted, however, that in so doing he was not influenced by rumour that had been brought to his attention by Danuke just a few minutes before.

Notwithstanding Seitz' effort to dissociate the Danuke rumour from his client's purchase, the Commission is satisfied that there was a direct relationship.

CONCLUSIONS

The information possessed by the T.D. officer that his employer intended to announce its intention to offer to purchase all of the outstanding units of TDRI at \$24.00 per unit following the close of trading that day was a "material fact" as that term is defined by Section 1(1) of the Act (now R.S.O. 1980, c. 466). When announced this news had a significant effect on the market price of the units. Since the information had not been generally disclosed it remained "inside information" as that term is generally understood until announced later that afternoon. Danuke came into possession of such inside information through her conversation with the T.D. officer. This officer, as a person in a "special relationship" with the T.D., as that term is defined by Section 75(3) of the Act, was prohibited from informing Danuke or anyone else, excepting in the ordinary course of business, that T.D. proposed making the offer for all of the TDRI units. While, as we have noted, the other sales persons were not told specifically that specific information had been obtained from a T.D. officer nonetheless Danuke led them correctly to believe that she had been talking to a T.D. officer. Scott and MacDonald acted upon what they were led to believe was inside information and what Danuke knew to be inside information. While they and their counsel insist on styling the information to be a "rumour" their subsequent conduct refutes this suggestion.

The Commission accepts Seitz' evidence that he understood the information to be rumour, being unaware that the source of at least some of the information was an officer of T.D. As the supervisor of some 42 registered sales persons employed by MY in the Toronto area, he had a special responsibility to monitor the activities of those sales persons and to protect the interests of MY's nearly 13,000 customers.

Turning first to general principle, the allegation, in the terms set out in the Notice of Hearing, was that the conduct of each of Danuke, MacDonald, Scott and Seitz was "contrary to the public interest and fell below the standard of conduct that may reasonably be expected of registrants". The principal argument made on behalf of the sales persons, and adopted on behalf of Seitz, was that in deciding what was or was not in the public interest the Commission was not entitled to test the conduct of Messrs. Danuke, Scott and MacDonald

against the expectations offered to investors generally through the requirement for timely disclosure set out in Section 74 and the prohibition in Section 75 against persons in a special relationship passing along material facts which had not yet then been generally disclosed, provisions intended to assure that, so far as is possible, all investors will have equal access to material information upon which investment decisions are based. The test of its materiality is whether it might be expected to have a significant effect on the market price of the security to which it relates. The fact is that each TDRI unit holder who sold to these registrants was deprived (prior to the cancellation of the orders) of the opportunity of receiving at least \$3.00 more per unit sold.

These registrants are persons with special training and responsibilities who have demonstrated through the passage of relevant examinations a certain minimum academic competence which permits them, in the case of the sales persons, to advise and trade on behalf of customers and, in the case of Seitz, to supervise and give direction to sales persons for whom he is responsible. It is also fundamental to the registration process that persons granted registration be honest and of good reputation. It is the concept of honesty and integrity, of fair dealing as between classes of investors, which is the issue here. It is in the public interest that registrants conduct themselves in accordance with these precepts and not take advantage of inside information.

It is the Commission's view that all registrants ought to understand that they have a duty not to attempt to profit, directly or indirectly, through the use of inside information that they believe is confidential and know or should know came from a person having a special relationship with the source of the information.

Counsel submitted that the Commission has not declared this kind of conduct to be improper and against the public interest. He stated that to find his client (MacDonald) in breach of a standard established "after the fact" would be in the nature of retrospectively legislated morality. Ethical conduct, for that is what we are considering, cannot be defined in advance and with that kind of precision. Indeed if any regulatory body, such as the Commission or the T.S.E., were to attempt to do so the unethical would pattern their conduct as closely to the borders of the defined ethical conduct as the language in which that definition is phrased permits. It is for registrants to be sensitive to their responsibilities to their clients and to their employers and to the integrity of the marketplace which they serve in the conduct of their personal trading. It is trite to observe that the grant of

special status as a registered sales person or trading officer carries with it a commensurate obligation.

In determining the penalty to be imposed on the three sales persons, while Danuke obtained the information and transmitted it to her colleagues, it was given and received with such openness that we could not distinguish between them. We were impressed by the seeming failure of the examination, training and registration systems, as evidenced by the text of the Canadian Securities Course and the Registered Representatives Manual, to discuss the standards of equal access to information and of fair dealing which had been imposed when Sections 74 and 75 of the Act came into force on September 15, 1979. This is underlined by the evidence, not only of the sales persons, whose appreciation of their misconduct appears to be directed more to the embarrassment they might have caused their employer, but also by the evidence of the experienced officers and former officer of MY who to that point in time appeared not to be able to appreciate the nature of the impropriety alleged. It was for this reason that, while wishing to emphasize our concern with the conduct by imposing a suspension of three days rather than giving a reprimand, we effectively waived that suspension by permitting the time the sales persons had been suspended by their employer to count against it.

Accepting without so finding Seitz' evidence that he was unaware that the information Danuke passed him was obtained, at least in part, from a T.D. officer, he failed to identify a potential problem when Danuke came to him, gave him the information, and asked about the TDRI trading symbol. He indicated that had he realized that the information came from a T.D. officer he might have recognized that it was inside information and therefore ought not to be used by his sales persons or himself for their personal benefit. But again the concern appeared to be directed to the fact that, since MY had been associated with T.D. through MY's underwriting and distribution of the TDRI units, the use of inside information by MY employees might damage any existing or future relationships between MY and TD. Suffice it to say that, while Seitz viewed the information as a rumour and made no further enquiry about it, he did pass the information along to a client who telephoned in, who was a speculator who liked to trade on rumours, and placed an order for him which was filled.

It may be concluded that Seitz, as with Messrs. Ketchen and McCann, was no more sensitive to the fact that the use of inside information would be viewed by the Commission as a breach of a duty not to act upon it. If MacDonald could recognize the use of inside information as a potential problem,

even though unable to articulate the nature of the problem, Seitz should have at least asked some questions. He had the last clear chance and the duty to make enquiries, when consulted by Danuke, and failed to do so.

Throughout the hearing an attempt was made to characterize the inside information as rumour. Only Seitz, on the evidence before us, may have had no reason to believe that it was not rumour. Every witness believed that it was proper, not only for the sales persons to buy or sell for their personal accounts on the basis of rumour, but also to pass those rumours along to their clients. Indeed it was said of Seitz' customer, whom it appears was financially well able to speculate, that he liked to be advised of any rumours. In light of the meticulous efforts made through the Securities Act and its Regulation, the disclosure policies of the Commission, the T.S.E. and the other securities administrators and major self-regulatory bodies across Canada, the market surveillance activities of the T.S.E. and the Commission (with this case being a notable example of the effectiveness of the T.S.E.'s surveillance procedures), the use of the trading halt by the T.S.E. and by temporary cease trading orders by the Commission where the market is trading on false, inaccurate or incomplete information in order to permit new, accurate or better information to be furnished to all investors, the evidence of the registrants was disturbing. The senior officers who testified appeared unanimously of the view that it was not improper to pass rumours along to clients, presumably so long as you identify the rumour as a rumour.

The Commission, while regretting the level of perception of management to their responsibilities not to perpetuate rumours as demonstrated by the evidence took this into account in determining the sentence for Seitz. Accordingly, we did not view cancellation of Seitz' registration or a lengthy period of suspension appropriate. However, it was necessary to indicate to this officer the seriousness with which we took his failure to give effective supervision to the three sales persons. Had he asked questions, and determined that they believed the information to be from an inside source, on his own evidence he might have told them not to trade. Accordingly, we imposed an actual suspension of five trading days.

In closing we note that at our request the T.S.E. deferred holding any disciplinary hearing against these four individuals under the provisions of its by-laws. Under normal circumstances the T.S.E. is given full opportunity to carry out the self-regulatory responsibilities assigned to it through The Toronto Stock Exchange Act ("T.S.E. Act") and the Act. In the present case the improper conduct alleged, and now so found,

flowed from an apparent violation of the new and important Section 75 of the Act. The proceedings were a corollary to action taken against the former T.D. officer noted above. In addition, the Commission had the power to summon the attendance of that officer to give evidence at its hearing. The T.S.E. does not have such power. The T.S.E. now has the benefit of a complete public record.

The Commission is cognizant of the terms of Section 4(3) of the T.S.E. Act which provides,

"The Corporation shall operate the exchange in a manner that does not contravene the requirements of (the Securities Act) and the regulations, directions, orders, determination or rulings made thereunder, and the Corporation may impose any additional or higher requirement within its jurisdiction."
(Emphasis added.)

In accordance with this mandate the Commission understood that the T.S.E. would be proceeding with its own hearing. No doubt, in the light of the Commission's findings it will take steps, in conjunction with the Investment Dealers' Association of Canada, to assure itself that training programs address both the subject of the abuse of inside information and the use of rumour.

16th September, 1981.

"Henry J. Knowles"
"W.A. Simonton"
"G.M. Webster"

"Harry S. Bray"
"R.T. Morgan"
"Stuart Thom"

CEASE TRADING ORDERS

ANSIL MINES LIMITED

The cease trading order dated June 13, 1980 and continued June 27, 1980 was rescinded September 16, 1981 the Company being now up-to-date with its filings.

UNIVERSAL SECTIONS LIMITED

The cease trading order dated September 1, 1981 was continued September 15, 1981 pending the Company complying with Part XVII of the Securities Act.

EXPLANATORY NOTES

Information contained in this section has been summarized from insider reports filed with the Commission.

The name of the issuer is followed by a brief description of the class of security the name of the person or company reporting and his or its relationship to the issuer. If a person has an indirect interest in the securities reported, e.g., through holding companies, affiliate companies, partnerships, trusts or other entities, this is shown. Symbols are used in the column "Transaction and Ownership Symbol" to indicate the nature of ownership i.e., direct or indirect. Similarly the character of transactions is indicated provided the transactions are other than a purchase or sale. (See guide to symbols below):

GUIDE TO SYMBOLS

RELATIONSHIP (appearing after the name reported)

- | | |
|------|---|
| "B" | - Beneficial Owner (direct or indirect) of equity shares of a reporting issuer carrying more than 10% of the voting rights attached to all equity shares of the reporting issuer outstanding. |
| "D" | - Director of principal reporting issuer. |
| "DI" | - Director of an issuer or a reporting issuer which is an insider or subsidiary of the principal reporting issuer. |
| "K" | - Exercises control or direction (direct or indirect) of equity shares of a reporting issuer carrying more than 10% of the voting rights attached to all equity shares of the reporting issuer. |
| "S" | - Senior Officer of principal reporting issuer. |
| "SI" | - Senior Officer of an issuer or a reporting issuer which is an insider or subsidiary of the principal reporting issuer. |

NATURE OF OWNERSHIP

- | | |
|-----------|---|
| No Symbol | - Securities are beneficially owned directly. |
| Symbol #1 | - The reporting person or company beneficially owns and/or has control or direction over securities which are held by a company, associate, partnership, trust or other entity. |

CHARACTER OF TRANSACTION

- | | | | |
|------------|----------------------------|-----|------------------------------|
| No Symbol- | purchase or sale | "M" | - internal |
| "A" | - bequest or inheritance | "Q" | - qualifying shares |
| "C" | - compensation | "R" | - redeemed (called, Matured) |
| "E" | - exchange or conversion | "T" | - stock dividend |
| "F" | - exercise of rights, etc. | "V" | - stock split |
| "G" | - gift | "X" | - exercise of option |
| "IR" | - initial report | "Z" | - distribution |

*Returned for reconciliation purposes.

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
ACTION TRADERS INC	Common	William G Dingwall D Mid Transportation Services Ltd	-- Aug/81 1	29400		349506 220000
ADANAC MINING & EXPLORATION LTD	Common	Conwest Exploration Company Limited B Consolidated Canadian Faraday Limited Chimo Gold Mines Limited 434074 Ontario Limited	-- Aug/81 1 -- 1 -- 1	5900		572381 126300 283825 70000
AGF MANAGEMENT LIMITED	Class B	William W Berghuis S	Aug/81	7000		9000
		William D Cameron S	Aug/81	4500		10000
		Gordon B Sutherland D	Aug/81	2000		27000
ALBERTA ENERGY COMPANY LTD	Common	John D Watson S	Aug/81	2000		4195
ALCAN ALUMINIUM LIMITED	Common	David M Culver DS Wife	Jul/81 Aug/81 1 --		3000 7000	13000 1000
ALGOMA CENTRAL RAILWAY	Common	Douglas A Berliss DS RRSP	Aug/81 -- 1	1000		10593 3561
		E-L Financial Corporation Limited B Dominion of Canada- General A/C Dominion of Canada- Life A/C	Jun/81 1 Jun/81 1 Jun/81 1	2875 10673 1397		192086 154110 43793

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
ALGOMA CENTRAL RAILWAY (continued)	Common	Casualty Company of Canada	Jun/81	1 451		30128
		Empire Life Insurance Company	Jun/81	1 2432		162479
		Empire Life Insurance Company-Segregated Fund	Jun/81	1 402		26900
ALGONQUIN MERCANTILE CORPORATION	Preferred	Algonquin Mercantile Corporation	Jul/81		640	
			Jul/81	R	2200	
			Aug/81		320	
			Aug/81	R	640	320
AMAX INC	Common	Cecil H Franklin DSB Minaco Equipment Limited	Jul/81		92	225456
			--	I		32688
			Aug/81		25000	64881
		Gordon W Reed	Aug/81		3000	
			Aug/81	G	100	52170
			--	I		1230
		Edward Wharton-Tigar	Aug/81		84	926
			Aug/81	G	1000	
			Aug/81		1500	153531
AMCA INTERNATIONAL LIMITED	Common	John Towers	Jun/81	G	200	
			Jun/81		30	11735
			--			
			Aug/81	I	500	1400 11000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
AMERADA HESS CORPORATION	Common	Leon Hess Indirect Holdings	Aug/81 --	33000 1		9115425 1588764
AMERICAN EXPRESS COMPANY	Common	Alva O Way Wife as Custodian Trustee	-- Aug/81 --	10 1 1		3800 10 1200
		Jonathan S Linen	S Aug/81		100	500
AMERICAN TELEPHONE & TELEGRAPH	Common	Sam R Willcoxon Indirect Holding	S I R I R			25 144
ANGLO DOMINION GOLD EXPLORATIONS	Common	Henry D L Snelling	DS Aug/81 Aug/81	600	7100	85200
ARCHEAN OIL LIMITED	Common	Donald C Deacon	DI Aug/81	41000		41000
ARGUS CORPORATION LIMITED	Common Preferred	Douglas G Bassett Douglas G Bassett	D Aug/81 Aug/81	6 20		106 20
	Common Preferred	Charles G Cowan Charles G Cowan	DISI Aug/81 Aug/81	27 83		77 83
	Common	Hollinger Argus Limited				
	Preferred	Hollinger Argus Limited	B Aug/81 Aug/81		1605749 4835642	26270 75760
ASAMERA INC	Debentures	Terry Gallagher	D Jul/81	\$196437		\$196437
		Clifford E Watts	S Jul/81	\$157737		\$157737
ASSOCIATE INVESTORS LIMITED	Class A	Howard R Douglas Canada Permanent Trust Company	--- Aug/81			206 7869

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
ASSOCIATED RECREATION CORP	Common	Philip A Halpern Amended	Aug/81		3000	---
ASTRAL BELLEVUE PATHE INC	Common	Bellevue Photo Labs Inc	B Jun/81	583408		2017473
		Harold Greenberg	DS Jun/81		72926	49453
		Harvey Greenberg	DS Jun/81		72926	16171
		Ian Greenberg	DS Jun/81		72926	16170
		Sidney Greenberg	DS Jun/81		72926	16170
AUGDOME CORPORATION LIMITED	Common	Victor W Slater	D Aug/81		5000	5000
BANISTER CONTINENTAL LTD	Common	Laurent P Carr	S Aug/81	1097		1607
		Stock Purchase Plan RRSP	Aug/81 -- 1	1097		1363 100
BANK OF MONTREAL	Common	Richard M Ivey Allpack Limited Ivex Investments Limited	D Aug/81 MI		14142	---
		John Bradlow	S Aug/81	500		18642
		Eric S Hogg	S I R			1000
BANKENO MINES LIMITED	Common	Turbo Resources Limited	B Aug/81	13400		500
BAY MILLS LIMITED	Common	Bay Mills Limited	Aug/81 Aug/81	200 R		1938287
					200	---

I S S U E R	S E C U R I T Y	I N S I D E R	D A T E O F T R A N S A C T I O N	B O U G H T O R A C Q U I R E D	S O L D O R D I S P O S E D	M O N T H - E N D H O L D I N G S
BELL CANADA	Common	Marcel Belanger Amended 108-497 Canada Inc Gagnon & Belanger Inc	Aug/81 -- --	100 1 1		110 4271 1500
BELORE MINES LIMITED		Wilfred D E Anderson S	Jul/81	805		11522
BELLE AIRE RESOURCE EXPLORATIONS LIMITED	Common	Harold W Hauf*	Aug/81		8000	304818
BLACK PHOTO CORPORATION LIMITED	Common	Alastair Dow	I R			59055
BLAKE RESOURCES LTD	Common	Pagurian Press Limited B	Aug/81		4100	190400
	Common	D J Blake Marshall Amended Battle Bend Holdings Inc	Jul/81 --	3600 1		24900 909424
BLOCK BROS INDUSTRIES LTD	Common	Peter J Funk	Aug/81		5	20
		Olympia & York Developments Limited B Amended Olympia & York Investments Corporation	-- Aug/81			3703 386
BLUESKY OIL & GAS LTD	Common	Klaus Hebben Amended	Jun/81	23900		2780549
BONANZA OIL & GAS LTD	Common	Don V Ingram Summit Joint Venture	Jun/81 --		300	564126 120000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
BONANZA OIL & GAS LTD (continued)	Warrants	Albert E Whitehead	D May/81 Jun/81		6000 7000	---
BOREALIS EXPLORATION LIMITED	Common	Rodney T Cox Amended The Parmenides Group	DS Aug/81 Aug/81	1 1	800	135590
				X	20000 10000	
			Aug/81 Aug/81	G	30531 10	376825
			Aug/81			
BOW VALLEY INDUSTRIES LTD	Common	Fred R Abramovitch Sons	Aug/81	2500		2500
			--	1		100
			Aug/81			1300
BOW VALLEY RESOURCE SERVICE LTD	Common	Allan J Solie	SI I R	300		6000
			SI			28302
			I R			100
			I R			
BOW VALLEY RESOURCE SERVICE LTD	Common Debentures	Joseph Lukacs Joseph Lukacs	I R			5000
			I R			50
			I R			200
			I R			2
BRALORNE RESOURCES LIMITED	Common Debentures	Allan J Solie Allan J Solie	S I R			300
			I R			3
			I R			
			I R			
BRALORNE RESOURCES LIMITED	Common	Douglas A Berliss RRSP	D Aug/81		5000	5386 1614
			Aug/81	1		

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
BRAMALEA LIMITED	Common	David Ptak	--			424
		Employee Stock Option Plan	Aug/81	6000		6000
		Other Indirect	--			6391
		Edward S Tyityan	--			4844
BRINCO LIMITED	Common Preferred	Stock Purchase Plan	Aug/81	8000		20400
		John H Taylor	Aug/81	700		105500
		Hugh R Snyder	Aug/81	10000		10000
		Hugh R Snyder	Aug/81	15300		17275
BRITISH COLUMBIA RESOURCES INVESTMENT CORPORATION	Common	Harry R Papushka	Jul/81		2000	400
		Fred R Abramovitch	I R			1000
CADILLAC FAIRVIEW CORPORATION LIMITED THE	Common	CEMP Investments Ltd B	Aug/81	18051978		27077967
		Seco-Cemp Limited	Aug/81	850000		1275000
		Edwin A Goodman				
		Suvretta Enter-tainments Limited	Aug/81		5265	30000
		Ernest Kolber	Aug/81	1501872		2252908
		James D Raymond	Aug/81	18000		27000
		Feejay Corp Canada	Aug/81	15600		34000
			Aug/81	10600		
		Charles R Bronfman	Aug/81	56000		84000
		Wife	Aug/81	14000		21000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CAE INDUSTRIES LTD	Common	William Booth	S Jun/81	2160		
			J Jun/81	16		
			V Jul/81	6752		10128
		Byron Murphy Amended	SI Mar/80	2		
			Jun/80	5		
			Sept/80	3		
			Dec/80			
		S	Mar91	3		
			Jun/81	3		
			Jul/81	1252		1878
		James E Peffers	SI Jul/81	3200		4800
		John B Webster Amended	S Jul/81	40000		60000
		Edwin A Kozicki	SI May/81	600		4629
			Jul/81	3086		927
			Jul/81	618		
		A A Gelines	S Feb/81		100	
			Jun/81	200		
			Jun/81	900		
			Jun/81		200	1000
CAMCHIB RESOURCES INC	Common	Campbell Resources Inc	B Sept/81	3200		690132
CAMPEAU CORPORATION	Common	W J Carroll	DS Aug/81	14625	1600	17209
			Aug/81			1600
		C & S Investors Stock Purchase Plan	Aug/81	1600		414947
			Aug/81		14625	
			--			1800

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CANADA DEVELOPMENT CORPORATION LIMITED	Class B Pref	Douglas N Kendall	D Aug/81	700		800
	Common	Maurice Moreau	D Aug/81	15		322
	Common	Michael J Halpen	SI Aug/81	50		50
CANADA PERMANENT MORTGAGE CORPORATION		Julio Poscente	DS Aug/81	278		50601
		Share Purchase Plan	-- 1			41112
		James K Scrimger	S Aug/81	112	200	900
		James R Smith	S May/81	15000		
			Aug/81	170		
CANADA TRUSTCO MORTGAGE CORPORATION			Aug/81	3000		20366
	Common	First City Financial Corporation Ltd	B Aug/81		4115645	
		First City Trust Company	Aug/81	1	369800	
	Preferred	First City Financial Corporation Ltd	Aug/81		45400	
	Common	P Derek Lewis	D Jul/81		750	250
		Harry W Hays	D Jul/81		1450	250
		Hugh H Mackay	D Aug/81		5750	250
	Series A Pref	Hugh H Mackay	Aug/81		1500	---
	Common	Ronald M Dragan	S Jul/81		1300	---
	Common	Bruce E Minns	S Aug/81	850		4942
		Stock Purchase Plan	-- 1			243

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CANADA TRUSTCO MORTGAGE CORPORATION (continued)	Common	Arthur J Scafe	S Aug/81	475		6265
	Series B Pref	John H Speake	S Aug/81	4300		9275
	Series B Pref	Charles R Clarke	S Aug/81	1040		1040
	Common Preferred	Arthur H Mingay Arthur H Mingay	DS Aug/81 Aug/81	2405 2470		12500 2495
	Series B Pref	Frank W Pratt	S Aug/81	1130		5220
	Series A Pref	Russell E Harrison	DS Aug/81	400		400
CANADIAN IMPERIAL BANK OF COMMERCE	Common	Alexander Broomfield	S Jul/81	200		225
	Class B Pref	Douglas F Roberts	S I R			500
	Series A Pref	Paul G S Cantor	S Aug/81	800		800
	Common	Malcolm D Rowswell	DS Aug/81		4000	16000
CANADIAN NATURAL RESOURCES LIMITED	Common	A J L Oates	D May/81 Jun/81 Aug/81		1400 2600 34000	400
	Debenture	William G O'Rourke Family Member	-- Aug/81	1	\$1000	\$20000 \$1000
	Common	Marie E Mottashed	SI Jul/81	6		543
CANADIAN PACIFIC ENTERPRISES LIMITED		Charles R Pike	SI Jul/81	62		833

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CANADIAN PACIFIC ENTERPRISES LIMITED (continued)	Series A	Canadian Pacific Limited	Aug/81 Aug/81	30388 R	30388	---
CANDY INVESTMENTS LIMITED	Common	Allan D Pyzer DSB A Pyzer Consultants Limited Saratoga Management Corporation Limited	Aug/81 --	1 1	3000	38500 699000
CANNON MINES LIMITED	Common	David D Martin DS ABACO	-- Aug/81	1	5000	40500 95000
CANRON INC	Class A Common	Guy F Talbot S	Aug/81		1700	---
CANUC RESOURCES INC	Common	William J Clarry DS	Aug/81	X	50000	50000
CAPITAL CABLE TV LTD	Class A Common	Anthony F Griffiths D RRSP	I R			400
	Class B Common	Anthony F Griffiths RRSP	I R I R	1		4800
			I R			200
			I R	1		2400
	Class A Common	James R Shaw D James R Shaw Securities Limited	-- Aug/81		800	308000 236200
CARA OPERATIONS LIMITED	Class A	Amir Ajani SI	I R			15000
		John Argyris S	I R			10000
		Douglas N Baines SI	I R			10000
		Grant E Clark S	I R			10000
		William P Dover S	I R			15000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CARA OPERATIONS LIMITED (continued)	Class A	Edwin J Falzon	SI I R			10000
		S Russell Knox	S Aug/81	10000		10000
		Joe Leilich	SI I R			10000
		Richard Miller	SI I R			10000
		Glenn G Parker	S I R			10000
		Paul J Phelan DSB DISI Cara Holdings Limited	-- Aug/81 I		150000	26000 2833340
CARLING O'KEEFE LIMITED	Common	Jack Simms	SI I R			35000
		Don Smith	SI I R			10000
		Bruce D Williams	S Aug/81	15000		15508
		William G Bourne	SI Aug/81	1000		1000
CARMA DEVELOPERS LTD	Class B Common	Nu-West Group Limited	B Aug/81 T	8146		1064925
		Charles J Combe	DS Aug/81	1064		139157
	Preferred	Paul M McAteer	S Aug/81	1000		1050
	Class A Common	Klaus Springer Springer Development Corp Ltd	D --			683339
	Class B Common	Springer Development Corp Ltd	Jun/81 E1	1447		228113
		Springer Development Corp Ltd	Jun/81 E1 Aug/81 I	1692	1447	1692
Debtentures		Springer Development Corp Ltd	Jul/81 I		\$37000	---

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CARMA DEVELOPERS LTD (continued)	Class B Common	Roy G Wilson	Aug/81 T	1724		204693
		Employee Purchase Agreement	Aug/81	2300		
			-- 1			18976
	Preference	Roy G Wilson	Aug/81	1000		14500
CAROLIN MINES LIMITED	Series A Pref	Richard J Owen Investment Co. RRSP	Aug/81 1 -- 1		300	2945 2055
	Class B Common	Angus S Taylor	Aug/81	48		6309
	Common	Joseph S LaBine	Aug/81		1000	73100
	Common	Laurie B Stevens	Jul/81	800		16200
CARUSCAN CORPORATION	Common	Martin P Connell RRSP	Aug/81	300		1178402 48000 67340
		465128 Ontario Limited	-- 1			
	Common	Horace R MacFarlane	Jul/81	68		3382
CENTRAL TRUST COMPANY	Class A Common	H Reuben Cohen Indirect Holdings	Jun/81 -- 1	4500		1018384 609471
	Common	Walter S Bishop Beltree Holdings Limited	--			18060
		Birnamwood Investment Limited	Jun/81 1 Aug/81 1 -- 1	1000 8500		77100 26152
CHANCE MINING AND EXPLORATION COMPANY LIMITED	Common	Conwest Exploration Company Limited	B Jun/81		5000	1166181

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CHIEFTAIN DEVELOPMENT CO LTD	Common	John T MacGuire Childrens Trust Grandchildrens' Trust	-- Aug/81	1	37500	567000 ----
CHUM LIMITED	Common	Roger A McDougall	Aug/81	1	4000	28500
		Allan F Waters Allan Waters Limited Stock Purchase Plan	-- Aug/81	50		4225
CITIES SERVICE COMPANY	Common	Robert D Dillsaver	Aug/81	X	178	1100
		Robert Moore Thrift Plan	Aug/81	X	518	963887 682
		Norman Paarup Wife	-- Aug/81	1	1000	178
CLARION PETROLEUMS LTD	Common	Christopher A Burton	I R			518 4241
COASTAL INTERNATIONAL LTD	Common	Marinus van Gemerden	I R			26832 5400
COCKFIELD BROWN INC	Common	Neale Beckwith	I R			----
		Jean Noel	I R			----
		John W Speakman	I R			400
COHO RESOURCES LIMITED	Series C Pref	Barry Zukerman JJB Syndicate	Apr/81	1	5000	5000
COMAPLEX RESOURCES INTERNATIONAL LTD	Common	Murray W Pyke	Sept/81		300	177146

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
COMINCO LTD	Preferred	Canadian Pacific Limited	B Aug/81 Aug/81 R	5900	5900	---
COMMERCIAL FINANCE CORPORATION LIMITED	Common Warrants	James W Blaney James W Blaney	D I R I R			2 15000
	Warrants	William L Henderson	DS Jun/81	50000		50000
COMTECH GROUP INTERNATIONAL LIMITED	Common	James E Houston Children	D Jul/81 Aug/81 --	2900 4300		307200 2000
COMTERM INC	Common	David G P Allan Richard Shirley	D I R DS I R			1000 206785
CONDUITS-AMHERST LIMITED	Common	Thomas B Copp Son	DDI Aug/81 --	1000		14600 2850
CONSOLIDATED CANADIAN FARADAY LIMITED	Common	Conwest Exploration Company Limited International Mogul Mines Limited	B Aug/81 I	36500		1193743
CONSOLIDATED PROFESSOR MINES	Common	Wolfgang Rauball Amended Private Transaction	D Jun/81	100000		198400
CONSOLIDATED-BATHURST INC	Series A Common	Hans-Joachim Becker Ludwig Lohmeier	SI I R SI I R			3 7

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CONSOLIDATED-BATHURST INC (continued)	Common A	Edward Lyssan	S Aug/81	100		910
		Monray & Co	-- 1			2000
	Common B	Edward Lyssan	Aug/81	4		308
	Series A Common	Klaus Schuster	SI I R			3
		Heinz-Georg Steinhorst				
		SI I R				3
	Series B Common	Robert G Stoecker	SI I R			321
	Class A Common	Dr Christop von der Decken	SI I R			3
	Series B Common	Werner Woitas	SI I R			3
	Series A	Consolidated-Bathurst Inc	Aug/81 Aug/81 R	88300	83300	5000
CONSUMERS GLASS COMPANY LIMITED	Series B	Norman A Grundy	S --			9268
			Mar/81 T1	172		
			Jun/81 T1	191		
			Aug/81 X1	300		4840
CONTROL DATA CORPORATION	Common	Brascan Limited Indirect Holdings	B Aug/81 -- 1	12797		283847 808523
	Common	J J Karnowski	S I R			5716
		Marvin R Swenson	S I R			1500
		James T McCoy	S I R			400

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CONTROL DATA CORPORATION (continued)	Common	W J Schmitt	S I R			2500
		George Shaw	S I R			2500
COOPER CANADA LIMITED	Common	Henry H Nolting	DS Aug/81	20000		20000
COPPERFIELDS MINING CORP	Common	William R Bergey	S Aug/81		1000	7200
CO SEKA RESOURCES LIMITED	Common Preferred	Bramalea Limited Bramalea Limited	B Aug/81 Aug/81	400700 20500		3681849 520500
	Common Preferred	Lloyd D Driscoll Lloyd D Driscoll	S Aug/81 Aug/81		600 2000	2400 2000
CO STAIN LIMITED	Common	Richard Costain (Holdings) Limited	B Aug/81	18300		2213960
		Meier Miller	S I R Aug/81	1000		2150
CROWN LIFE INSURANCE COMPANY	Common	Extendicare Ltd	B Aug/81	3140		1829048
CULLATON LAKE GOLD MINES LTD	Common	Richard M Hogarth	D Jul/81		2900	100
CYPRUS ANVIL MINING CORPORATION	Common	Morris Belkin Indirect Holding	D Aug/81 Aug/81	1	1800 2500	---
		Donovan F Miller	D Aug/81		200	---
		Patrick M Reynolds	D Aug/81		2000	---
		Laurel S Pathman	S Aug/81 Aug/81	666		---

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CYPRUS ANVIL MINING CORPORATION	Common	R E Gordon Davis	DS Aug/81 Aug/81	10200	70200	---
		Robert A McCallum	S Aug/81 Aug/81	3333	3333	---
		Robert L Cook	S Aug/81 Aug/81	3800	3800	---
		Beneficial	Aug/81	1	300	---
D H HOWDEN & CO LIMITED	Common	Donald R Hughes	D Aug/81		1000	2430
DALCO PETROLEUM LTD	Common	Wayne R Sharp	DS Aug/81	1000		40000
		Indirect Holdings	--	1		53200
DAON DEVELOPMENT CORPORATION	Common	Roderick Hungerford	D Jul/81	214		61003
		Spouse	--	1		10000
		George B McKeen	D Jul/81	729		207318
DART & KRAFT INC	Common	Richard C Benmore	S Aug/81	500		2994
		George C Reifel	S Aug/81		10000	60000
		John P Del Favero	S Aug/81	381		1336
		William H Greenberg	S Aug/81 --	970		4909
		Family	--	1		500
DASHER RESOURCES LTD	Common	Alastair Dow	DS Aug/81		8000	2000
DICKENSON MINES LIMITED	Common A	James Geddes	DS Aug/81	6		58
	Common B	James Geddes	Aug/81	6		58
	Class B	H Vance White	DS Aug/81		7400	32669
		RRSP	--	1		571

I SSUER	SECUR I TY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
DISTRICT TRUST COMPANY	Common	William J Amos	D Aug/81	1000		11625
DOLPHIN-MILLER MINES LIMITED	Common	Kam-Kotia Mines Limited Deebank Limited	B Apr/81	E1	1460000	---
DOME PETROLEUM LIMITED	Common	Marshall A Crowe Indirect Holding	--- Aug/81	1	500	600 500
		R E Gordon Davis	DISI I R			---
		Robert L Cook	SI I R			---
		R A McCallum	SI I R			---
		A Keith Mitchell	SI I R			---
		Laurel S Pathman	S Aug/81	X 600		600
		Andrew von Kursell	SI I R			---
DOMINION OF CANADA GENERAL INSURANCE COMPANY THE	Common	E-L Financial Corporation Limited	B Jul/81 Aug/81	50 499		201657
DOMINION STORES LIMITED	Common	Argus Corporation Limited	B Aug/81	23700		3394000
DOMINION TEXTILE INC	Common	Michael Onwood	S I R			50
DOMTAR INC	Common	Societe generale de financement du Quebec	B I R			3881000
DUSTBANE ENTERPRISES LIMITED	Common	Gerald D LaFortune DSB MonteVilla Holdings Ltd	Aug/81	1	693165	1400000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
DYLEX LIMITED	Class A Pref	Donald A Williams Delanda Inc RRSP	S Aug/81 -- --	3000		11073 3164 63
	Common	Irving Posluns Control	DSB Aug/81	650		4 124889
		Jack Posluns Control	DSB Aug/81	650		4 124885
		Wilfred Posluns Control	DSB Aug/81	650		6 124888
EDEN ROC MINERAL CORP	Class A Pref	David J Rosenberg Amended	S Aug/81 Sept/81		3000 1000	12100
	Common	B Chris Schwartz	S Aug/81	100		200
	Class A	B Chris Schwartz	Aug/81	10000		19965
	Common	Jean Lawrence	S I R			100000
ELECTROHOME LIMITED		William J V Sheridan	D I R			50000
	Class X	John A Pollock 488931 Ontario Limited Trustee	DSB Aug/81 Aug/81 --	M 266221 1	266221	---
	Class Y	John A Pollock 488931 Ontario Limited Trustee	Aug/81 Aug/81 Aug/81 --	M M M 1	532443	---
	Class X	Barbara L Steele 488932 Ontario Limited	DB Aug/81 Aug/81	M M M	253440	---
						253440

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
ELECTROHOME LIMITED (continued)	Class Y	Barbara L Steele 488932 Ontario Limited	Aug/81	M		---
			Aug/81	M1	506880	506880
ELKS STORES LTD	Common	Agnico-Eagle Mines Limited	B			
			Aug/81		5700	79200
EMPIRE LIFE INSURANCE COMPANY	Common	E-L Financial Corporation Limited	B			
			Aug/81		1404	686351
ENERGY & PRECIOUS METALS INC	Class A	Howard W Taylor In Trust	D			
			Aug/81	1	3300	9000 3300
	Common	Electra Investments (Canada) Limited	B			
			Jul/81 Aug/81		1000 900	170100
ETHYL CORPORATION	Common	Lawrence Blanchard Jr DS				
			Aug/81	1	38	24585 7567 1000
		James M Gill Savings Plan	DS			
			Aug/81	1	25	6967 5521
		Robert Herzog Savings Plan	DS			
			Aug/81	1	89	5444 10280 100
		Roger A Moser Savings Plan	S			
			Aug/81	1	9	995 1406
		Floyd Gottwald Jr Savings Plan Other Indirects	DS			
			Aug/81	1	151	817674 25625 96935

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
EXTENDICARE LTD	Common	Harold L Livergant	DS Jul/81	200000		214423
FORD MOTOR COMPANY	Common	Lewis C Veraldi	S Aug/81		470	----
		Edson P Williams	S Jun/81		65	----
FORT NORMAN EXPLORATIONS	Common	Donald W Ford	D Jul/81		2000	36300
		William S McCartney	S Aug/81	900		1372300
FRUEHAUF CANADA INC	Common	David A Grinstead	DS Sept/81		500	----
FULCRUM INVESTMENT COMPANY LIMITED THE	Preferred	E-L Financial Corporation Limited	B Aug/81	5000		79510
		Other Indirects	-- 1			90290
GARBELL HOLDINGS LIMITED	Preference	Garbell Holdings Limited	Aug/81	200		----
			Aug/81 R		200	----
GASCOME OILS LTD	Common	Diamond Lalji	S Aug/81	11400		----
		Albert J Langard	DS Aug/81	22000	11400	2287700
GENENERGY RESOURCES LTD	Class A	Wayne Schnick	S Aug/81		1000	4255
		Schnick Ventures Ltd	Aug/81	1	900	500
		William J Hardstaff	DS Jul/81	27500		289598
		116579 Oil & Gas Ltd	Aug/81	9100		45000
			-- 1			
		Richard G Sebastian	S Jul/81		300	18266

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
GENERAL AMERICAN PROPERTIES INC	Class A	Bruce Smith RSP	Aug/81	1	11100	30700
GENERAL AMERICAN OIL CO OF TEXAS	Common	Curtis Meadows Jr DISI Independent Executor Other Indirect	--			831
			Aug/81	1	4000	96148
		Trustees of Employees Stock Bonus Plan K	--	1		13541
			Aug/81			
			Aug/81	1400	5146	360626
GENERAL MOTORS CORPORATION	Common	Trustees of Employee Stock Ownership Plan	Aug/81		491	28542
		Charles Katko Savings-Stock Purchase Program	Aug/81		902	6744
			--	1		1738
		Robert C Stempel Savings Stock Purchase Program Wife	Aug/81		500	748
			--	1		833
			--	1		134
		John P McCormack Saving Stock Purchase Program	Aug/81		372	1694
			--	1		1732
		F Alan Smith Other Indirect	--			6078
			Aug/81	1	1025	2616
			--	1		287
		William E Hoglund	Aug/81		700	731

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
GENERAL MOTORS CORPORATION (continued)	Common	Daughter Other Indirect	Aug/81 --	1 1	200	200 2254
GLENCAIR RESOURCES INC	Common	Mary J Shaben	D I R			14833
GOLDALE INVESTMENTS LIMITED	Class A	Mark M Tanz United Income Properties Limited	--			200000
			Aug/81	1	2000	262500
GOLDSEARCH LIMITED	Common	Carl Huilica Amended	Feb/81	13900		19400
GOODYEAR CANADA INC	Preferred	Goodyear Canada Inc Trustee	Aug/81 Aug/81	1 RI	234	234
GOTAAS-LARSEN SHIPPING CORPORATION	Common	Kenneth A B Trippe	DS Nov/79 Jun/80 Jan/81 May/81 Jun/81 --	C C C C C C	50000 2000 12500 1000 1000	69500 1460
		Children				
		Oscar D Andersen*	S Nov/79 Dec/79 Jan/80 Jun/80 Jun/81	C C C C C	25856 2000 5500 2000 2000	37356
GOWGANDA SILVER MINES LTD	Common	Konstantin Weigand	D Aug/81 Aug/81		4500	139400
GRANDAD RESOURCES LIMITED	Common	Reginald E Griffiths	D Aug/81		3500	22100
GREAT LAKES NICKEL LIMITED	Commn	David C H Stanley	D Aug/81		1500	13000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
GREAT PACIFIC INDUSTRIES INC (FORMERLY CRUSH INTERNATIONAL LTD)	Common	James A Pattison	DS Aug/81	1000		2924100
GREYHOUND COMPUTER OF CANADA LTD	Common	William D Maunder	DS Aug/81		2000	34050
GUARANTY TRUST COMPANY OF CANADA	Common	Canadian General Securities Limited Traders Group Limited	B Aug/81	1 1250000		9110936
GULCH RESOURCES LTD	Common	Petrobank Resources Ltd	B I R			1000000
		James D Tocher	I R			55800
GULFSTREAM RESOURCES CANADA LIMITED	Common	Donald A Humby	DS Aug/81 Aug/81 Aug/81	X 10000 540	10000	4540
HALLIBURTON COMPANY	Common	Thomas J Feehan Wife	D Aug/81 --	X 10000		45140 1080
		Billy G Taylor	D Aug/81	X 8000		26446
HARDEE FARMS INTERNATIONAL	Common	E R S McLaughlin Greenbriar Holdings Ltd	D Aug/81 --	105		20605
				1		5000
HIGHLAND QUEEN SPORTSWEAR LIMITED	Class A	Joseph Del Mastro*	S Aug/81	9230		15250
		Susan Eidelman*	DI Aug/81	1750		20

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
HUDSON'S BAY COMPANY	Common	Hudson's Bay Company	Aug/81	13820		
			Aug/81		13820	
	Preferred		Aug/81	17000		
			Aug/81		170000	
HUDSON'S BAY OIL AND GAS COMPANY LIMITED	Series A Pref	Kenneth H Burgis S	Aug/81	4000		7400
		Richard F Haskayne DS	Aug/81	27		1333
	Common	Profit Sharing Plan	Aug/81	6800		13300
	Series A Pref	Orest Humeniuk S	Aug/81	3100		5600
	Common	Profit Sharing Plan	Aug/81	17		156
	Series A Pref	Kenneth W Lloyd S	Aug/81	2200		3800
	Common	Profit Sharing Plan	Aug/81	16		3459
		David R McDonald D	Aug/81	12		1028
		Profit Sharing Plan				
		Donald J Shelly D	Aug/81	10		1716
		Profit Sharing Plan				
	Series A Pref	David E Powell S	Aug/81	3700		6800
	Common	Profit Sharing Plan	Aug/81	14		459
		Raymond G Sawka D	Aug/81	15		1497
		Profit Sharing Plan				
		Roy L Hawthorn D	Aug/81	11		2010
		Profit Sharing Plan				
		Walter L Christie DI	Aug/81	12		733
		Profit Sharing Plan				
	Series A Pref	Karl R Meyer D	Aug/81	2300		4900
	Common	Profit Sharing Plan	Aug/81	15		4075

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
HUDSON'S BAY OIL AND GAS COMPANY LIMITED	Common	William D Storey S	Aug/81	1		60
	Series A Pref	Profit Sharing Plan	Aug/81	20		5297
				3200		5900
		Robert A McCallum S	I R			---
	Common	Leonard B Bannicke S	Aug/81	14		3835
	Series A Pref	Profit Sharing Plan	Aug/81	2300		4200
	Common	Dale I Beischel S	Aug/81	19		769
	Series A Pref	Profit Sharing Plan	Aug/81	3200		6200
	Common	Dale I Beischel	I R			---
		A Keith Mitchell S	I R			---
HURONIAN MINES LIMITED		Hudson's Bay Company B	Aug/81	E	156230	3816878
		Hudson's Bay Company Investments Limited	---	1		7701288
	Series A Pref	Donald L Podgurny DI	Aug/81	1		902
		Profit Sharing Plan	Aug/81	14		2900
IDA POINT MINERALS LIMITED	Common	Donald L Podgurny		1500		
	Common	Harold W Hauf DS	Aug/81		6000	40300
IMASCO LIMITED	Common	Lynx Canada Explorations Limited B Amended	I R			1281000
	Common	Imasco Limited				
	Common	Montreal Trust Company	Jul/81	1		
			Jul/81	RI	9483	5633

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
IMPERIAL LIFE ASSURANCE COMPANY OF CANADA	Common	Robert Gachet	D I R			250
	Class B	Peter Stauff Savings Plan	-- Aug/81	1 15		12 1300
IMPERIAL OIL LIMITED		Donald K McIvor Savings Plan	-- Aug/81	1 154		4112 190
		Raymond Wilkinson Savings Plan	-- Aug/81	1 6		18 646
	Class A	Exxon Corporation	B Aug/81	15500		108856499
	Class B Common	William E Beacom Savings Plan	Aug/81	1 12		237 1071 1571
		George E Courtnege Savings Plan	-- Aug/81	1 181		
		James W Flanagan Savings Plan	-- Aug/81	1 28		1225 2860
		Arden R Haynes Savings Plan	DI Aug/81	1 190		4026
		James G Livingstone Savings Plan	DS -- Aug/81	1 93		7375 3589
		Angus M Lott Savings Plan	S -- Aug/81	1 53		2604 350
		Donald D Loughheed Savings Plan	DI -- Aug/81	1 42		3518 4844
		Douglas H MacAllan Savings Plan	S -- Aug/81	1 23		376 1915

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
INTER-CITY GAS CORPORATION	Common	Charles R Beenham	S Aug/81 --	2500 1		30000 100
INTERNATIONAL BUSINESS MACHINES CORPORATION	Common	Thomas Watson Jr Wife	D Aug/81 --	G 1	628	182101 72138
INTER-PROVINCIAL DIVERSIFIED HOLDINGS LIMITED	Common	Inter-Provincial Diversified Holdings Limited	Aug/81 Aug/81	1700 R	1700	---
INTERMETCO LIMITED	Common	Parkdale International Limited	B Aug/81	150		304791
INTERNORTH INC	Common	David L Grove Jointly with wife Pension Plan	D -- -- Aug/81	1 300		400 500 1800
INVERMERE RESOURCES LTD	Common	York Centre Corporation	B Aug/81	18800		618800
INVESTORS GROUP, THE	Common	Paul Desmarais Power Corp of Canada Ltd Shawinigan Industries Ltd Trans-Canada Corp Fund Ltd	B Aug/81 -- --	1 50 1 1		170519 4334566 2292656
IRVCO RESOURCES LTD	Common	Irving Industries (Irving Wire Products Division) Ltd	B Aug/81	3500		4003500
JAPAN FUND INC, THE	Common	Louis J Rice Jr* Wife	D -- Aug/81	1 500		16014 500

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
JOREFX LIMITED	Common	James H Slater	D Aug/81	2176		845000
K S F CHEMICAL PROCESSES LIMITED	Common	David Krofchak	B Aug/81		69040	10300
KAM-KOTIA MINES LIMITED	Common	H Vance White RRSP	DS Aug/81 --	1	2700	6001 20
KELLY, DOUGLAS & COMPANY LTD	Class A	Loblaw Companies Limited Kelmac Investments Ltd Edward Douglas Investments Company Limited	B Jul/81 Aug/81 --	1 2600 1 1400 1		518998 3756855
KERR ADDISON MINES LIMITED	Common	David A Lowrie	S Aug/81 Aug/81 Aug/81	X 275 225	500	4000
KERR-MCGEE CORPORATION	Common	Robert S Kerr Trustee Wife	D -- Aug/81 --	150		9497 43800 60
L K RESOURCES LTD	Class A Class B	James L McKinnon James L McKinnon	B I R I R			331787 331787
LA VERENDRYE MANAGEMENT CORPORATION	Class A Common Common	Marcotte Marcel Ghislain Bellehumeur	D I R S Aug/81 Aug/81		395	100 395
		Leo Vanasse	S Aug/81	25	24048	5365

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
LAKE SAVARD RESOURCES LIMITED	Common	Robert A Halet	D I R			1
LAKE SHORE MINES LIMITED	Common	J Malcolm Slack	S I R			---
		Robert C Stanley Jr DS	Aug/81	1000		6025
LANGIS SILVER & COBALT MINING COMPANY LIMITED	Common	Kam-Kotia Mines Limited	B I R			1381500
LAURASIA RESOURCES LIMITED	Common	Arthur C A Howe ACA Howe International Ltd	D Aug/81 -- 1		20500	255733 1706
LES MINES EST MALARTIC LTEE	Common	J Malcolm Slack	S I R			---
LES TERRAINS AURIFERES MALARTIC (QUEBEC) LIMITEE	Common	J Malcolm Slack	S I R			---
LITTLE LONG LAC GOLD MINES LIMITED	Common	J Malcolm Slack	S I R			---
LOBLAW COMPANIES LIMITED	Common	Robert H Kidd	D I R			2000
LONGFORD EQUIPMENT INTERNATIONAL LIMITED	Common Series A Pref Series A Warrants	Raymond Rozins	D I R I R I R			4000 8400 26000
LOUISBURG PROPERTY HOLDINGS LIMITED	Common	Harvey M Lewis	D Jul/81	5700		5701
LOUISIANA LAND AND EXPLORATION COMPANY, THE	Common	Joseph F Toot Jr Wife Other Indirect	D Jun/81 -- -- 1 1	500		1000 101045 68400

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
LUMAX OIL & GAS INC	Common	Donald C Deacon	D I R			9750
MACKENZIE FINANCIAL CORPORATION	Common	Michael M Maguire Magvest Corporation	-- Aug/81		18000	4500 100226
MACLEAN HUNTER LIMITED	Class X	John H Greenhough Deferred Profit Sharing Plan	Aug/81 --	3000 1		33130 353339
		Francis Fitzpatrick	D Aug/81	2000		6162
		Monica F Simmie Deferred Profit Sharing Plan	S Aug/81 --	500 1		500 108
		Ronald W Osborne	S I R			12000
		Frederick T Metcalf Deferred Profit Sharing Plan	DS Jul/81 Aug/81	2749 20000		480281 25
		Harvey T M Botting Deferred Profit Sharing Plan	S Aug/81 --	2000 1		6000 403188
		Lloyd M Hodgkinson Deferred Profit Sharing Plan	D Aug/81 --	10000 1		410440 761
		Philip F James	S I R			500
MACMILLAN BLOEDEL LIMITED	Common	Edward G Legg Trustee RRSP	S Aug/81 -- --		25	75 610 75

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
MACMILLAN BLOEDEL LIMITED (continued)	Common	Fred H Moonen Share Purchase Plan	Jun/81 --	500 1		500 370
MACQUEST RESOURCES LTD	Common	Ronald F Holdsworth DS V M R Holdings Ltd	Oct/80 Jan/81 Feb/81 --	82875 6500 1000 1		190365 15450
		Peter J Gross DS Macquest Resources Ltd	Oct/80 Jul/81 Jun/81	140865 100 11800		163365 163465 200000
		John W Mackenzie DS	May/81 Jun/81 Jul/81 Aug/81	1170 8800 2000 6700		2062075
MAGNA INTERNATIONAL INC	Common	William Peters S Paul Helliwell D	I R Aug/81		14306	1900 100147
	Class B	Frank Stronach DS Beechwood Farm Limited Other Indirect	Jul/81 -- --	9900 1 1		309233 113367 548467
MANITOU BARVUE MINES LTD	Common	Chares J Bouffard D	I R	1		13000
MAREAST EXPLORATIONS LIMITED	Common	Maurice E Graham B Graham Syndicate (1981) #2	I R	1		600000
MARSHALL BOSTON IRON MINES LTD	Common	Gerald W Hedicen DS	Aug/81		15000	106500
MCDONALD'S CORPORATION	Common	Ray A Kroc* DSB	Feb/81		200000	4862002

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
MELCOR DEVELOPMENTS LTD	Common	Daon Development Corporation	B Aug/81	5300		476675
MENTOR EXPLORATION AND DEVELOPMENT CO LIMITED	Common	Agnico-Eagle Mines Limited	B Aug/81	18900		1063700
MERIDIAN CONCEPTS LTD	Common	Anthony F Griffiths D Exmore Associates Ltd	Aug/81	1	4000	1000
MERLAND EXPLORATIONS LIMITED	Common	Douglas A Weston	S Jul/81	390		
		Trust	Jul/81		12835	17940
			--	1		3352
		George N Betts	S Jul/81	391		
		Trust	Jul/81		5616	7665
			Jul/81	1	2326	7321
		Robert K Dixon	DS Jul/81	885		
		Trust	Jul/81		105940	169028
			--	1		4324
		Allan P Markin	S Jul/81	469		
			Jul/81	X 30000		
		Trust	Jul/81		21080	25384
			--	1		4185
		Peter W Kreutzer	S Jul/81	416		
		Trust	Jul/81		8645	25054
			--	1		1798
MID-EAST DEVELOPMENTS	Common	Douglas A Hart	S Aug/81	2500		
			Aug/81		3500	---
MINERAL RESOURCES INTERNATIONAL LIMITED	Common	Max Tanenbaum 430652 Ontario Limited	B Aug/81	1	12100	2430939

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
MOBIL CORPORATION	Common	Samuel C Johnson	D I R			1000
MOLCO INDUSTRIES LTD	Common	Walter Hindle*	DS Jul/81	1800		12000
		RRSP	Aug/81	3800		4900
			Aug/81	2300		
MOLSON COMPANIES LIMITED THE	Class A	Jean A Beliveau	D I R			304
	Class B		I R			250
	Class A	Donald G Willmot	DS --			892
		Willcrest Limited	Jul/81	6235		
		Willhaven Limited	Aug/81		900	5335
			--			314
MONARCH INVESTMENTS LIMITED	Common	Taylor Woodrow Limited	B Aug/81	1		1395321
		Taylor Woodrow Holdings Limited	Aug/81	1	2575	
		Christine Taylor	DI Aug/81		2275	---
MONTREAL ENGINEERING COMPANY LTD	Class A Common	Charles F Byrd	SI I R			300
MSZ RESOURCES LIMITED	Common	Barry Zukerman	D			
		BZ Investments Ltd	Aug/81	1	7000	350000
MTS INTERNATIONAL SERVICES	Common	Alastair Stevenson*	D Aug/81		20000	90100
		Robert E Dale	Aug/81		38500	---
MUNICIPAL SAVINGS & LOAN CORPORATION THE	Common	Maxwell L Rotstein DSB Municipal Bankers Corporation (1981) Limited	-- Aug/81			1254
			Aug/81	1	300	932274

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
N B COOK CORPORATION LTD	Common	Eleanor A Agabob	S Aug/81		1000	20000
NABISCO BRANDS, INC	Common	Manning E Case Wife	S I R I R			10609 212
NAHANNI MINES LIMITED	Preferred Warrants Series "A"	J. A. Harquail Surveymin Ltd RRSP	DS Aug/81 Aug/81 Aug/81 -	1536 768 4000 1		2856 1002 4000 54000
NASHUA CORPORATION	Preferred	Nufort Resources Inc	B Aug/81	1280		2380
NATIONAL BANK OF CANADA	Common	Winthrop L Carter	D Aug/81		500	74539
	Convertible Preferred	Antoine Turmel	D Aug/81		5000	---
	Common	Marcel Belanger 108-497 Canada Inc	D Jul/81 Jul/81 M1		10000	---
		Beaudoin Laurent Son	S - Aug/81 1		189000	12742 ---
NATIONAL SEA PRODUCTS LTD	Common "A"	Jack B Estey	D Aug/81		5000	18000
NATIONAL TRUST COMPANY LTD	Common	Ralph M Barford Valford Holdings	DS Aug/81 1	500		5000
NEARCTIC RESOURCES INC	Common	William D MacLean J W Gemmell, Q C in Trust	D - Aug/81 1		4000	15001 21000
	Warrants	Patrick J Sullivan	DS Aug/81 Aug/81		2000 1000	---
NEOMAR RESOURCES LIMITED	Common	Camflo Mines Limited	B Aug/81	352381		1978531

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
NEW BRUNSWICK TELEPHONE COMPANY, THE	Common	John G Burchill	D Aug/81		2630	3508
		John T Reid RRSP	S Aug/81 - I		200	978 618
NEW REDWOOD GOLD MINES LIMITED	Common	W R L Torrance Amended	D Mar/81 Jun/81 Jul/81		25000 25000 3000	22000
		Maurice E Graham Graham Associates	B I R I			800000
NEW UNGAVA COPPER LTD	Common	Alastair Dow	D I R			5000
NIAGARA FINANCE COMPANY LIMITED	Demand Loan	IAC Limited	B Aug/81		\$25000000	----
NORANDA MINES LIMITED	Common	Brascan Limited Brascade Resources inc	B Aug/81 - I Aug/81 E		15000	----
	Call Options				150	24360390 ----
NORBASKA MINES LIMITED	Common	Hugh T Borthwick	DS Aug/81	4000		106500
		John S Grant, Jr	D I R			1000
NORCEN ENERGY RESOURCES LIMITED	Common	Percy C Finlay	D Aug/81	1000		2000
		Denis Chouinard	S Jun/81		100	123
NORMICK PERRON INC	Common	Raymond Thibault	S Aug/81	1500		5950
NORTHERN AND CENTRAL GAS CORPORATION LIMITED	3rd Preferred "B"	Norcen Energy Resources Limited	B Aug/81		7745	120021

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
NORTHERN TELECOM LIMITED	Common	Marcel Belanger Amended 108-497 Canada Inc	Jul/81 M		1000	
			Jul/81	100		100
			Jul/81 M1	1000		1100
NORTHERN TELEPHONE LIMITED	1st Preferred A "B" "C" "D" 2nd Preferred A	Donald McKelvie	Aug/81		923	---
			Aug/81		923	---
			Aug/81		1102	---
			Aug/81		270	---
			Aug/81		500	---
NORTHGATE EXPLORATION LIMITED	Common	Robert E Fasken	I R			10000
NORTHSTAR RESOURCES LTD	Common	Richard W Switzer Spouse	Sep/81		1400	401921
			Aug/81 1		3000	24156
NORTHUMBERLAND MINES LIMITED	Common	Robert G Davidson S Geoffrey Properties	I R			1000
			-			
			Aug/81 1	2653		30000
NOVA SCOTIA SAVINGS & LOAN COMPANY	Common	George B Duhamel Promenade Tours Inc	Aug/81 1		5000	50033
			Aug/81 1			
NU-WEST GROUP LIMITED	Common	George C Piercey DS Premium Holdings Ltd	-			5633
			Aug/81 1	584		4186
	Common "A"	Nu-West Group Limited	Aug/81	40000		---
			Aug/81 R		4000	---
	Common "C"		Aug/81	143800		---
			Aug/81 R		143800	---
	Preferred "A"		Aug/81	2200		---
Preferred "B"	Preferred "B"		Aug/81 R	3050	2200	---
			Aug/81 R		3050	---
			Aug/81 R		3050	---
			Aug/81 R	2300	2300	---

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
NU-WEST GROUP LIMITED (Continued)	Debentures "A"		Aug/81	\$41000		---
			Aug/81		\$41000	---
	Debentures "B"		Aug/81	\$113000		---
			Aug/81		\$113000	---
	Debentures "C"		Aug/81	\$265000		---
			Aug/81		\$265000	---
	Debentures "D"		Aug/81	\$276000		---
			Aug/81		276000	---
	Debentures "E"		Aug/81	\$236000		---
			Aug/81		\$236000	---
	Debentures "F"		Aug/81	\$129000		---
			Aug/81		129000	---
	Class "C" Non Voting Convertible	A Barry Beaven Profit Sharing Plan	Aug/81	1		546
	Class "A" Convertible	Ernest A Chillack Profit Sharing Plan Trustee	Aug/81	M	2000	2000
			Aug/81	M1	2000	3400
			-	1		2956
	Class "C" Convertible		Aug/81	M	2000	2250
			-	250		148
		Profit Sharing Plan	Aug/81	M1	250	
	Class "A" Convertible	Ralph T Scurfield RRSP	Aug/81	1	23800	4541260
		Other Indirect	-	1		225683
						800092
	Class "C" Non Voting Convertible	RRSP Other Indirect	Aug/81	1	23800	227062
NUMAC OIL & GAS LIMITED			-			186134
			Aug/81	1		50003
	Common	Richard M Ivey Allpak Limited	Aug/81	1	85000	295000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
NUMAC OIL & GAS LIMITED (Continued)	Common	Stewart D McGregor W S McGregor Investments Ltd	Aug/81 - 1		22000	79000 628632
OAKWOOD PETROLEUMS LTD	Common	Kenneth W Germond	Aug/81		6000	55951
OCCIDENTAL PETROLEUM CORPORATION	Common	L Schecter Jerrold	S Aug/81	300		2157
ODYSSEY INDUSTRIES INCORPORATED	Common	Joseph Y Robichaud Profile United Industries Limited	Aug/81	1300		2851300
ONYX PETROLEUM PETROLEUM COMPANY LTD	Common	Dennis G Flanagan	Aug/81	3000		49590
		Lloyd Les Hansen	S Aug/81	2000		4000
		John M Hallward Wife	D Aug/81 -	14200		75000 1000
		Leslie H Card Amended	S I R			500
OTTER DORCHESTER INSURANCE COMPANY LIMITED	Common	Walter J Adams	DS Jul/81 Jul/81 Aug/81	20000 600 2100		176600 178700
PALOMA PETROLEUM LTD	Common	Allen E Diamond Amended Whitecastle Investments	D Jul/81 Jul/81 1	22500 900		35800
PAN CANA RESOURCES LTD	Common "A"	Allen E Diamond Whitecastle Investments	D Jul/81 1	3500		32000
	Class "B"					

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
PAN CENTRAL EXPLORATIONS LIMITED	Common	Irving S Lindzon In Trust for Fern Cindy Lindzon	Aug/81	1 500		1500
		In Trust for Howard Andrew Lindzon	Aug/81	1 500		1500
		In Trust for Robyn Melanie Lindzon	Aug/81	1 500		1500
PARAGON EXPLORATIONS LIMITED	Common	Brockwell P Mordy	Aug/81	X 50000		335670
PARAMOUNT RESOURCES LTD	Common	Paramount Oil & Gas Ltd	B Aug/81	11500		2143000
PENN WEST PETROLEUM LTD	Common	Terence R Carter	S Aug/81	600		1500
PENNINGTON'S STORES LIMITED	Preferred	Pennington's Stores Limited	Aug/81 Aug/81	5450 R	5450	---
PEOPLES JEWELLERS LIMITED	Common	Peoples Jewellers Limited	Aug/81 Aug/81	1500 R	1500	---
PETROTECH, INC	Common	Samuel A Stern	D Jul/81	2000		22000
PHILLIPS PETROLEUM	Common	E Douglas Kenna Trust and Keogh Plan	D Aug/81 -	1000 1		1570 915
PINE BELL MINES LIMITED		Keith E Steeves	SI I R			---
PLACER DEVELOPMENT LIMITED	Common	Theodore J Smolik Stock Purchase Plan	1981	1 102		273
		John McConville Stock Purchase Plan Wife	S Aug/81 - -	8000 1 1		9740 509 132

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
PLACER DEVELOPMENT LIMITED (Continued)	Common	James H Eastman	S Aug/81	8000		8030
POWER CORPORATION OF CANADA	Common	Paul Desmarais	B -			200
		Gabriel Holdings Ltd	-	1		4146000
		Prime Investors Ltd	Aug/81	1	500000	3164072
		Andre Gervais	S Jul/81	100		100
PROCAN MORTGAGE CORPORATION	\$2.94 Cumulative Redeemable First Preferred Series "A"	Antoine Turmel	DI Mar/81	E	5000	---
PUBLIC SERVICE ELECTRIC AND GAS COMPANY	Common	Winthrop E Mange, Jr Wife	- Jul/81	1	52	451
		C E Maginn, Jr Amended	S Apr/81	G	10	319
Q C T V LTD	Common	George C Field	D Aug/81		4800	65371
QUARTET ENERGY RESOURCES LTD	Common	Gordon D R Finlay	D I R			400
QUARTET ENERGY RESOURCES LTD	Common	Victor M Seabrook	DS DIS			60700
		350021 Ontario Limited	Aug/81	1	3900	12700
		Seabrook & Associates	-	1		12684
QUEBEC STURGEON RIVER MINES	Common	Ralph Ottmar Kehle	DS I R			---
		Henry D L Snelling	D Aug/81		3100	2400

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
REDCON GOLD MINES LIMITED	Common	Canadian Pacific Limited Cominco Limited	B Aug/81	I 28754		1176507
REED STENHOUSE COMPANIES LIMITED	Common "A"	Donald A Whitmore	S I R			9691
RONYX CORPORATION LIMITED	Common	Electra Investments (Canada) Limited	B Aug/81	17400		491000
ROYAL BANK OF CANADA, THE	Common	William P Wilder	D Aug/81	800		6550
		R John Moores	S Aug/81	51		886
ROYAL TRUSTCO LIMITED	Common "A"	Brascan Limited	B Aug/81	43199		3106626
SCEPTRE RESOURCES LIMITED	Common	Norman A Grundy	S I R			1284
		Elmer A Thompson	S I R			2141
		Consolidated-Bathurst Inc	B Aug/81 Aug/81 Aug/81	F 56100 X 500000 47700		2104200
SCINTREX LIMITED	Common	Jon G Baird	DS Aug/81	X 2300		2300
		Gerald Stork	DS Aug/81 Aug/81	X 2300 700		4357
SCOTT'S HOSPITALITY INC	Class "C"	F Ronald Graham Graymont Limited	D Aug/81	I 1	320000	1910000
		Graymont Limited	B Aug/81		320000	1910000
SHADOWFAX RESOURCES LTD	Common	Leonard R Exton	D I R			10900

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
SHEPHERD PRODUCTS LIMITED	Common	Shepherd Products Limited	Aug/81 Aug/81 R	4900	4900	----
SHERRITT GORDON MINES LIMITED	Common	Neil Colvin	S I R			500
		Kenneth J Harvey	S Aug/81	285		2305
SILVERTON RESOURCES LTD	Common	Peter Stewart Romaprod Holdings Ltd	D Aug/81 - I	2000		47032 5000
SILVERWOOD INDUSTRIES LIMITED	Class "A"	Execs11 Corporation	B Aug/81	500		30445
SKLAR MANUFACTURING LIMITED	Common	PCL Industries Limited	B Aug/81	25600		840300
SKYE RESOURCES INC	Common	Myron I Gottlieb DS DI S I R				4500
		Richard L Lister DI SI I R				700
SOUTHAM INC	Common	John G Craig	S Aug/81	250		750
SPAR AEROSPACE LIMITED	Common	Crowborough Investments Limited	B Sep/81		2000	477680
STANDARD OIL COMPANY (INDIANA)		H Laurance Fuller	DS I R			----
STEINBERG INC	Class "A"	Henri Tremblay	S Sep/81 Sep/81 X Sep/81	1300	700 1300	----

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
STROM RESOURCES LTD	Common "A"	Murray L Larson M L Larson Geological Consultants Ltd	Jul/81 E1		83016	---
SULLICO RESOURCES LTD	Common	Sullivan Mining Group Ltd	Aug/81	12		1228846
SULPETRO LIMITED	Common "B"	Vangus Resources Ltd	Aug/81	2500		23244
	Class "B" 7% Convertible Preferred "A"	William C Leuschner	Aug/81	2500		17500
			Aug/81	5000		10000
	Common "B"	Simon Chilewich	Jun/81 Jul/81 Jul/81	2000 7000	4000	103593 106593
SUNMIST ENERGY RESOURCES LIMITED	Common	Rudolph H Brondyke R H B Investments Ltd	Jul/81 Aug/81 -	700 19300		130500 280000
SYSTEMHOUSE LTD	Common "A"	Keith H Soley Soley Holdings Limited	Aug/81 E1	179775		201075
TECK CORPORATION	Common "A"	Metallgesellschaft AG Metallgesellschaft Canada Limited	Aug/81 I	2700		1049300
		Sidney P H Robinson	Aug/81	1000		2500
TEMAGAMI GAS & OIL LTD	Common	W E Riddolls H E Roman-Barber	I R DI S I R			200 14400

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
TEMAGAMI GAS & OIL LTD (Continued)	Common	HCI Holdings Ltd	B Aug/81	34500		821000
		Stephen B Roman	DI SI I R Aug/81	43900		43900
	Convertible Debenture Convertible Debenture Common	Roman Corporation Limited	B I R			\$5000000
			Aug/81		\$5000000	---
			Aug/81	3750000		3750000
	Common	Walter W Sapp Thrift Plan	S Aug/81	18		931
		William H Sitter Thrift Plan	S Aug/81	26		1082
		James K Ashford Thrift Plan	S - Aug/81	51		2500 5993
		William M Carpenter Thrift Plan	S - Aug/81	39		4000 6780
		Byron Tunnell Thrift Plan	S - Aug/81	18		1000 1512
TEXAS EASTERN CORPORATION	Common	H E Daniels Thrift Plan	S - Aug/81	25		100 3244
		Richard A Robinson Wife Thrift Plan	S - Aug/81 Aug/81 Aug/81	27	310	362 300 2232
		Ralph S O'Connor Wife	D Aug/81	1000		18984
		J W Butler	S Jul/81 Aug/81	53		53 1

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
TEXAS EASTERN CORPORATION (Continued)	Common	Employee Stock Purchase Plan	Jul/81	1	126	1553
		James A Campbell	S Jul/81 Jul/81	C 159	4559	---
		David M Crawford Private Sale	S Jul/81 Jul/81	C 198	5998	---
TEXASFULF INC	Common	John W Hall	S Jul/81	C 327	3327	---
		Wife	Jul/81	I 1	4000	---
		Earl L Huntington	DS Jul/81	C 357	300	---
			Jul/81	G	3787	---
		Daughter	Jul/81	I 1	300	---
		Wife	Jul/81	I 1	200	---
		Wife as Custodian for Minors	Jul/81	I 1	700	---
		Daughter	Jul/81	I 1	100	---
		Kenneth J Kutz	S Jul/81	C 274	3524	---
			Jul/81	I 1	460	---
		Wife	Jul/81	I 1	200	---
		Self as Custodian for Son	Jul/81	I 1		---
		Walter F Meyer	S Jul/81	G 350	6306	---
			Jul/81	I 1	100	---
		Wife	Jul/81	I 1	2000	---
		Richard D Mollison	DS Jul/81	C 856	33084	150
			Jul/81	I 1	4000	---
		Wife	Jul/81	I 1		---

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
TEXAS GULF INC (Continued)	Common	John T Thornton	S Jun/81	7		---
			Jul/81	119		---
			Jul/81		1001	---
		F Wayne White	S Jul/81	258		---
			Jul/81		1208	---
TIBER RESOURCES LTD	Common	Charles W Wilder	S Jun/81	37		---
			Jul/81	157		---
			Jul/81		4824	---
		Jean-Yves Chereau	I R			---

TINTINA MINES LIMITED	Common	Brian A Skinner	DS Aug/81	5000		178200
						20900
						1860905
		Cecil H Franklin Minaco Equipment Limited Algonquin Mercantile Corporation	Jul/81	11500		324600
			Aug/81	17000		
TORONTO SUN PUBLISHING CORPORATION	Common	John D Creighton Share Purchase Plan	DS Aug/81		59949	104568
						3232
			S Aug/81	700		---
		Harry Edwin Andrews	S Aug/81		233	---

TORSTAR CORPORATION	1st Preferred 1981 Series	Torstar Corporation	Aug/81	35600		---
			Aug/81		35600	---
			Aug/81	200		---
		Class "B"	Aug/81		200	---
			Aug/81			---
TRADERS GROUP LIMITED	Class "A" Class "B"	John Peter Bassel	D Aug/81	100		100
			Aug/81	485		6522

		Class "A"				---

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
TRANSALTA UTILITIES CORPORATION	Common	John W Madill	S 1981 F	13		390
				50		
		Walter Saponja	S Aug/81 F	200		470
	Rights for Class "A" Common	Nu-West Group Limited	B Aug/81 F	13849544		13849544
TRANS-WESTERN EXPLORATION, INC	Common	M M Williams	DS 1981 Aug/81 F	471		2647
				297		
		Thomas E Cardell	S Aug/81 F	100		775
	Common	Nicor Inc	B Aug/81	122		3010484
TRIMAC LIMITED	Common	M E Simington	SI - Aug/81 I	100		100
				250		250
		Donald K Jackson	SI Aug/81		6000	342783
TRINITY RESOURCES LTD	Common	John R McCaig McDevco Holdings Ltd.	DSB Aug/81 MI		150000	5376210
TRIZEC CORPORATION LTD	Common	Seymour Schulich Nevada Capital Corporation Ltd	DS Sep/81 I	14000		80166
	Common	John M Arnold Montreal Trust Co	S - Aug/81 I	10000		2000
						10000
		Mitchell L Grossman Amended Montreal Trust Company				
			Jul/80 I	10000		10000
			Aug/81 I	7500		17500

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
TRIZEC CORPORATION LTD (Continued)	Common	Jack Rabinovitch Montreal Trust	- Aug/81	1	15000	17000 15000
	Warrants	Donald J Douglas	S I R			15000
TURBO RESOURCES LIMITED	Common	Ronald M Maxwell	DS Aug/81		10000	42530
		Derek J Moran	S Jul/81		1625	10125
TWIN RICHFIELD OILS LTD	Common "A" Convertible	West-Can Resource Finance Corporation Ltd	B Jun/81	5900		557399
			Jul/81	7000		564399
			Aug/81	4200		568599
	Common "B"		Aug/81	200		535300
ULTRAMAR COMPANY LIMITED	Common	Arthur Dickinson	S Aug/81	6000		---
		L D Woodruff Amended	DI SI Aug/81 Aug/81	20000	6000	2000
UNICORP FINANCIAL CORPORATION	Class "A"	Michael R Kordyback	S Jul/81	727		1727
		Employee Share Purchase Plan	Jul/81	1000		
	Preferred "B"		Jul/81	1	727	39273
			Jul81	200		1200
	Warrants		Jul/81	3200		11525
			Aug/81	1300		12825
UNION CARBIDE CORPORATION	Class "A"	James W Leech Nominee	DS -			7318
	Common	Harry J Gray	Sep/81	1	20000	118182
			Aug/81	100		100

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
UNION GAS LIMITED	7% Cumulative Redeemable Preferred "B" Series 3	Richard M Ivey Ivex Investments Limited Allpak Limited	Aug/81 M1 Aug/81 M1	4700	4700	4700 ---
UNITED ASBESTOS INC	Common	Campbell Resources Inc	B Aug/81	44200		1086300
UNITED CANADIAN SHARES LIMITED	Common	William C Riley	SI Aug/81		518	---
		United Canadian Shares Limited	Aug/81	518		13266
UNITED CANSO OIL & GAS LTD	Common	C David Banks	S I R			20000
		Robert J Moffitt	S I R			10000
		Sandro S Silenzi	S I R			20000
		David C Walker	S Jul/81 C	20000		20400
		William L Hooper	S I R			10000
UNITED SISCOE MINES INC	Common	Camflo Mines Limited	B Jul/81 Aug/81	6100 28000		2888600
UNITED STATES STEEL CORPORATION	Common	William Miller, Jr	S 1981 1981 T	18	40	63
VEDRON LIMITED	Common	Robert R Ross	S Aug/81 F	723		1433
		Leon La Prairie La Prairie Ltd	DS Aug/81 I		18000	13812
VENPOWER LIMITED	Common	Morton Gelber	D Aug/81		500	2501

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
VERSATILE CORPORATION	Preferred "A"	Versatile Corporation	Aug/81	6200	3200	9500
			Aug/81	R		
VGM TRUSTCO LIMITED	Common "A"	Peter P Saunders Saunders Investments Ltd	Aug/81	1	10000	600523
	Common	E L Financial Corporation Limited	Jun/81	2258		147588
		Dominion of Canada General Account	Apr/81	1840		
			Jun/81	20000		1140598
		Dominion of Canada- Life Account	Jun/81	9592		631570
		Empire Life Insurance Company	Jun/81	60587		2816868
		Casualty Company of Canada	Jun/81	4966		324432
VICTORIA AND GREY TRUST COMPANY	Common	Victoria and Grey Trustco Limited	B Aug/81	E 127		9095009
VIDEO INDUSTRIES INC	Common	Thoms T Sahaidak	D Jul/81		4900	15100
VULCAN INDUSTRIAL PACKAGING LIMITED	Common	K Ross Quantz	S I R			200
WAJAX LIMITED		Arthur G Simpson	D Aug/81	1000		121000
	Common "A"	P Gerald Sims Patricia Sims	S Aug/81	1 2000		2000
	Common "B"	P Gerald Sims	Jun/81	2		162
	Convertible Preferred	Philip O'M Sims	Aug/81	1 3000		3000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
WAJAX LIMITED (Continued)	Common "A"	Ronald W Chorlton Housden Holdings Chorcarn Management	Aug/81	1	900	195468
			Aug/81	1	1300	169100
WALL & REDEKOP CORPORATION	Common	Susan Dosot	S I R			500
WARREN EXPLORATIONS LIMITED	Common	Nicholas L Majendie	D Aug/81		8000	250000
		John A Pollock	DS			
		Jonpol				
		Investments Ltd	Aug/81	1	5000	
		Jonpol	Aug/81	1	2000	45000
		Explorations Limited	-	1		2000
WARRINGTON INC	Common	James D Raymond	DS SI Aug/81	50000		100000
WILLROY MINES LIMITED	Common	J Malcolm Slack	S I R			---
WIN-ELDRICH MINES LIMITED	Common	Samuel Rice	DSB Aug/81	82550		432550
WIRED CITY COMMUNICATIONS	Common	Cybermedix Limited	B Jul/81	1000		388182
WOODWARD STORES LIMITED	Class "B"	Thomas R Farrell	D Jun/81	5000		10000
WORLDWIDE ENERGY CORPORATION	Common	William M Decker Wife as Custodian	D Aug/81		84000	402581 61695
WRIGHT HARGREAVES MINES, LIMITED	Common	J Malcolm Slack	S I R			---
YORK CENTRE CORPORATION	Class "A"	Gill Construction Limited	B Aug/81	F 7900		276350
YORK RUSSEL INC	1st Preferred Series "B"	York Russel Inc	Aug/81	4450	4450	----
			Aug/81	R		

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
YORK RUSSEL INC (Continued)	1st Preferred Series "C"		Aug/81 Aug/81	96700	96700	---
ZENMAC EXPLORATIONS LIMITED	Common	Jerry Iscove	DS Jul/81	2000		8000

REPORTS OF TRADES SUBMITTED ON FORM 20 (AND ITS PREDECESSOR)
UNDER THE SECURITIES ACT 1978

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Sep. 8, 1981	Denison Mines Ltd.	Canray Resources Ltd. \$ 12½% conv. debenture due September 1, 1986	250,000.00 \$	250,000.00
Sep. 8, 1981	Roman Corporation Limited	"	250,000.00	250,000.00
Aug. 31, 1981	483360 Ontario Ltd.	Barnes Wines, Limited common shares	400.00	6,000 shrs
Aug. 31, 1981	483360 Ontario Ltd.	"	400.00	250 "
Aug. 31, 1981	483360 Ontario Ltd.	"	400.00	250 "
Aug. 31, 1981	483360 Ontario Ltd.	"	400.00	250 "
Aug. 31, 1981	483360 Ontario Ltd.	"	400.00	250 "
Aug. 31, 1981	483360 Ontario Ltd.	"	400.00	250 "
Aug. 31, 1981	Patrick John Keenan	"	400.00	250 "
Aug. 31, 1981	Barbara G. Keenan	"	400.00	250 "
Aug. 31, 1981	Robi Sandor Blumenstein	"	400.00	250 "
Aug. 31, 1981	Willard John L'Heureux	"	400.00	250 "
Aug. 31, 1981	Jeff K. Ward	"	400.00	250 "
Aug. 12, 1981	Dupont Canada Inc. Pension Trust Fund	Devon Resources Ltd. - units	25.00	30,000 units
Sep. 4, 1981	Rogers Tele- communications Ltd.	Gulf & Western Ind. Inc. - common shares	20.00	1,000,000 shrs
Aug. 31, 1981	Canadian Co-operative Credit Society	Trizec Equities Ltd. floating rate bond due July 31, 2000	5,000,000.00 \$	5,000,000.00

Continued

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
June 30, 1981	The Founding Group	Venturetek International Ltd. - common shares	\$ 1.75	493,333 shrs
Sep. 2, 1981		Passburg/National 1981 Ltd. Partnership - ship - units	100,000.00	20 units
Sep. 2, 1981		Passburg/Wallace 1981 Ltd. Partnership - units	25,000.00	5 "
Aug. 28, 1981	R.M. Bryden Holdings Ltd.	Systemhouse Ltd. - class "A" common shares	10.25	325,000 shrs
Sep. 1, 1981	Herolt Management Corp.	Southam Inc. - common shares	30.00 to 31.00	17,500 "
Sep. 1, 1981	Kabra Holdings Ltd.	"	30.50 to 31.00	17,500 "
Sep. 1, 1981	Recchi Holdings Ltd.	"	30.50 to 31.00	17,500 "
Sep. 1, 1981	Little Pig Printers Ltd.	"	30.50 to 31.00	17,500 "
Aug. 26, 1981	William T.Chatham	S.I.S. Exploration Corp. - common shares	1.00	125,000 "
Aug. 26, 1981	Deltec Panamerica Trust Co. Ltd.	Strand Oil & Gas Ltd. common shares	7.50	650,000 "

FORM 21 (AND ITS PREDECESSOR) - RESALE OF SECURITIES

<u>Date of Resale</u>	<u>Date of Original Purchase</u>	<u>Seller</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
June 9, 1981	Sep. 9, 1975	308491 Ontario Limited	Firan-Glendale Corp. - common shares	\$ 2.30	42,000 shrs
June 19, 1981	Sep. 9, 1975	"	"	2.95	700 "

Continued

<u>Date of Resale</u>	<u>Date of Original Purchase</u>		<u>Seller</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
June 22, 1981	Sep. 9, 1975		308491 Ontario Limited	Firan-Glendale Corp. - common shares	2.70	4,300 shrs
June 22, 1981	Sep. 9, 1975		"	"	2.75	100 "
June 23, 1981	Sep. 9, 1975		"	"	2.80	600 "
June 24, 1981	Sep. 9, 1975		"	"	2.60	10,000 "
June 24, 1981	Sep. 9, 1981		"	"	2.65	2,000 "
June 25, 1981	Sep. 9, 1975		"	"	2.65	3,000 "
June 25, 1981	Sep. 9, 1975		"	"	2.60	21,300 "
June 30, 1981	Sep. 9, 1975		"	"	2.70	34 "
Aug. 26, 1981	May 22, 1979		Bantor Company	Bow Valley Ind. Ltd.- common shares	8.67	10,000 "
Aug. 27, 1981	May 22, 1979		"	"	8.67	3,000 "
Aug. 28, 1981	May 22, 1979		"	"	8.67	17,000 "
Aug. 31, 1981	May 22, 1979		"	"	8.67	13,000 "
Sep. 1, 1981	May 22, 1979		"	"	8.67	2,000 "
Sep. 2, 1981	May 22, 1979		"	"	8.67	1,900 "
Sep. 3, 1981	May 22, 1979		"	"	8.67	1,600 "
Sep. 4, 1981	May 22, 1979		"	"	8.67	1,600 "
Sep. 8, 1981	May 22, 1979		"	"	8.67	1,400 "
Aug. 26, 1981	Aug. 27, 1980		H.C.I. Holdings Limited	Trinity Resources Ltd.-common shares	17.625	16,000 "
Aug. 26, 1981	Aug. 31, 1981		"	"	18.00	2,500 "
Aug. 26, 1981	Aug. 31, 1981		"	"	17.50	1,500 "
Aug. 26, 1981	Sep. 2, 1981		"	"	17.625	1,000 "
Aug. 26, 1981	Sep. 2, 1981		"	"	17.00	8,800 "

NOTICE OF INTENTION TO DISTRIBUTE SECURITIES PURSUANT TO SUBSECTION 7 OF SECTION 71

<u>Seller</u>	<u>Security</u>	<u>Amount</u>
Conwest Exploration Company Limited	Chance Mining and Exploration Company Limited - common shares	404,000 shrs
Security Trading Limited	Mineral Resources International Limited - common shares	340,571 shrs

CONTINUOUS DISCLOSURE FILINGS

MATERIAL RECEIVED PURSUANT TO THE ACT & REGULATIONS

A	ANNUAL FINANCIAL STATEMENTS
B	INFORMATION CIRCULAR (FORM 30) OR REPORT (FORM 28)
C	INTERIM FINANCIAL STATEMENTS
D	TAKE-OVER, ISSUER BIDS AND RELATED MATERIAL
E	OTHER REPORTS
F	REPORT OF MATERIAL CHANGE (FORM 27)

ABINO GOLD MINES LIMITED	C
ABITIBI-PRICE INC.	E
ACTION TRADERS INC.	E
ADANAC MINING AND EXPLORATION LTD.	E
ADVANCE MURGOR EXPLORATIONS LIMITED	E
ADVOCATE MINES LIMITED	C E F
AGNICO-EAGLE MINES LIMITED	C
ALGOMA STEEL CORPORATION LIMITED, THE	E
ALUMINUM COMPANY OF CANADA LTD.	C
AMCA INTERNATIONAL LTD.	E
ANSIL MINES LIMITED	A C
AQUITAINE COMPANY OF CANADA LTD.	E
ARBOR CAPITAL RESOURCES INC.	E
ARGOSY MINING CORPORATION LIMITED	C
ASBESTOS LLOYD MINES LIMITED	A C
ATCO LTD.	C E
ATLANTIC RICHFIELD COMPANY	C E
AUGDOME CORPORATION LIMITED	C
AURORA 78-79 ENERGY PROGRAM	C
AURORA-CZAR 79-80 ENERGY PROGRAM	C
AURORA-CZAR 80-81 ENERGY PROGRAM	C
AURORA-ORBIT 79-80 ENERGY PROGRAM	C
AURORA-ORBIT 80-81 ENERGY PROGRAM	C
AURORA-TIBER 1980 EXPLORATION PROGRAM	C
BANK OF BRITISH COLUMBIA	E
BANK OF MONTREAL	E
BANK OF NOVA SCOTIA	E
BAR RESOURCES LIMITED	C
BARYMIN EXPLORATIONS LIMITED	E F
BASIC RESOURCES INTERNATIONAL S.A.	F
BEAUFORT ENERGY LIMITED	C
BEAUFORT EXPLORATION LIMITED	C
BEAUFORT PETROLEUM INVESTMENT LIMITED	C E
BELL CANADA	E
BILTMORE INDUSTRIES LIMITED	C
BISON PETROLEUM & MINERALS LIMITED	C
BLACK HAWK MINING LTD.	C
BLAKE RESOURCES LTD.	C
BLUESKY OIL & GAS LTD.	E

BOLTON TREMBLAY INCOME FUND	C
BOLTON TREMBLAY INTERNATIONAL FUND	C
BOMBARDIER INC.	C E
BONANZA OIL & GAS LTD.	C
BOREALIS EXPLORATION LIMITED	E
BOW VALLEY INDUSTRIES LTD.	C E
BOW VALLEY RESOURCE SERVICES LTD.	E F
BRASCAN LIMITED	E
BRITISH AMERICAN BANK NOTE INC.	C E
BRITISH PETROLEUM COMPANY LIMITED	E
C C L INDUSTRIES INC.	E F
C S T FOUNDATION	C
C T MUTUAL FUND LIMITED	C
CALVERT-DALE ESTATES LIMITED	F
CAMFLO MINES LTD.	E
CAMPBELL RED LAKE MINES LIMITED	E
CAMPEAU CORPORATION	E
CAMRECO INC.	E
CANADA CEMENT LAFARGE LTD.	E
CANADA CUMULATIVE FUND	C
CANADA DEVELOPMENT CORPORATION	C E F
CANADA PACKERS INC.	E
CANADA PERMANENT MORTGAGE CORPORATION	E
CANADA TRUSTCO MORTGAGE COMPANY, THE	E
CANADIAN GENERAL INVESTMENTS LIMITED	E
CANADIAN NATURAL RESOURCES LIMITED	C
CANADIAN PACIFIC ENTERPRISES LIMITED	E
CANADIAN REALTY INVESTORS	C
CANADIAN SCHOLARSHIP TRUST PLAN	C
CANADIAN UTILITIES LIMITED	E
CANUC RESOURCES INC.	C E
CANUSA ENERGY LTD.	C
CARDAY URANIUM MINES INC.	B
CARMA DEVELOPERS LTD.	E
CARTIER RESOURCES INC.	C
CARUSCAN CORPORATION	E
CASSIDYS LIMITED	C
CELANESE CANADA INC.	E
CESSLAND CORPORATION LIMITED	C
CHANCELLOR ENERGY RESOURCES INC.	E
CHEROKEE RESOURCES LIMITED	B E
CHESBAR RESOURCES INC.	C
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EATON/BAY GROWTH FUND LTD.	C
EATON/BAY INCOME FUND	C
EATON/BAY INTERNATIONAL FUND LTD.	C
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GUILDFORD-CONCORDIA PARTNERSHIP	C
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IRVCO RESOURCES LTD.	E
IRWIN TOY LIMITED	C E
J-Q RESOURCES INC.	E
JAMEX RESOURCES LIMITED	B C
JOHN LABATT LIMITED	E
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CREDIT INDUSTRIEL DESJARDINS INC.	C
DELTA PETROLEUM CORPORATION LTD.	A B C
DONOHUE INC.	C
EL PASO COMPANY, THE	C
FORD CREDIT CANADA LIMITED	C
GATX LEASING NATIONAL LTD.	C
GATX EQUIPMENT LEASING LTD.	C
GENELCAN LIMITED	C E
GOLD HAWK RESOURCES (ONTARIO) LTD.	C
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GREAT BASINS PETROLEUM CO.	E
HANSA PETROLEUM CORPORATION	C
HOUSEHOLD FINANCE CORPORATION OF CANADA	C
HUMBOLDT ENERGY CORPORATION	C
INTERNATIONAL SYSTCOMS LIMITED	E
INTERNATIONAL TELEPHONE AND TELEGRAPH CORPORATION	E
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KILLUCAN RESOURCES LTD.	E
KINGSWOOD EXPLORATIONS LIMITED	C
LONG LAC MINERAL EXPLORATION LIMITED	E
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MARATHON OIL COMPANY	E
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MINNESOTA MINING AND MANUFACTURING COMPANY	E
NATIONAL BANK OF DETROIT, CANADA	E
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PETERSFIELD OIL & MINERALS LTD.	B C
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WABASSO INC.
WARDLEY CANADA LIMITED
WESTERN INTERNATIONAL EXPLORATIONS LTD.
WESTERN STOCKYARDS LIMITED
WOODWARD ACCEPTANCE COMPANY LIMITED

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NEW ISSUE AND SECONDARY FINANCING

CARLSON MINES LTD.

Final receipt was issued September 14, 1981 for a prospectus dated August 25, 1981 qualifying on a best efforts basis for sale in Ontario a minimum of 580,000 units consisting of one common share and one share purchase warrant and a maximum of 880,000 units at \$.33 per unit to provide the Company with a minimum of \$174,000 and a maximum of \$264,000 before deducting expenses of issue. There will be a secondary offering of 123,000 common shares, none of the proceeds of which will accrue to the Company.

Promoter: Robert J. Platt

CHAUVCO RESOURCES LTD.

Final receipt was issued September 11, 1981 for a prospectus dated September 9, 1981 filed by Chauvco Resources Ltd., qualifying for sale in Ontario on a best efforts basis a minimum of 800 units and a maximum of 1,400 units, each unit consisting of 1,375 Class A common shares, 250 warrants and the right to earn Class B common shares, at a subscription price of \$5,050 per unit to provide the Company with a minimum of \$3,840,000 and a maximum of \$6,720,000 before deducting expenses of issue.

Promoter: Guy J. Turcotte

Agent: Odium Brown & T. B. Read Ltd.

HIRAM WALKER RESOURCES LTD.

Final receipt issued September 14, 1981 for a prospectus dated September 14, 1981 qualifying for sale in Ontario 4,000,000 9 1/2% cumulative convertible redeemable Class B preference shares, first series (carrying the right to receive common share purchase warrants) at a price of \$25.00 per share, to net the Company \$24.10 per share (\$96,400,000) before expenses of issue. The Company has granted the Underwriters an option to purchase up to 400,000 additional shares at a price of \$25.00 per share, to net the Company \$24.28 per share (an additional \$9,712,000).

Underwriters:

Dominion Securities Ames Limited
Burns Fry Limited
Pitfield Mackay Ross Limited

NORMAN MINES LIMITED

Final receipt issued September 10, 1981 for prospectus dated August 17, 1981 offering 1,850,000 units at 75 cents per unit on a best efforts basis to net the Company a minimum of \$1,163,250 and a maximum of \$1,304,250. Each unit consists of one common share and one-half of one transferable share purchase warrant.

There is a secondary offering of 241,666 units, the proceeds from which will accrue to the selling shareholder and not to the treasury of the Company.

Agent: St. Lawrence Securities Limited

Promoter: Norman International

PUISSANCE RESOURCES LIMITED

Final receipt issued September 11, 1981 for prospectus dated September 10, 1981 qualifying for sale in Ontario 1,500,000 common shares and 1,500,000 warrants. The offering is being made in units consisting of one common share together with one warrant at \$0.22 per share to net the company \$0.20 per share. There will also be a secondary offering of up to 150,000 shares none of the proceeds of which will accrue to the Company.

SILVER LAKE RESOURCES INC.

Final receipt issued September 11, 1981 for the prospectus dated September 3, 1981 offering 1,200,000 units at the price of \$1.25 per share. Each unit consists of 1 common share and 1/4 share purchase warrant. One warrant is required to purchase 1 additional common share at \$1.50 on or before March 1, 1982.

There is also a secondary offering of 120,000 units the proceeds from which will accrue to the selling shareholder and not to the treasury of the Company.

Agent: St. Lawrence Securities Limited

Promoter: Eplett Natural Resources Limited

RIGHTS OFFERINGS ACCEPTED

AMERICAN ELECTRIC POWER COMPANY, INC.

The Commission has received, and accepted as satisfactory, material in respect of the American Electric Power Company, Inc. Dividend Reinvestment and Stock Purchase Plan.

STATEMENT OF MATERIAL FACTS ACCEPTED

THE TORONTO-DOMINION BANK

Material acceptable to the Commission has been received in respect of a proposed Dividend Reinvestment and Share Purchase Plan and a proposed Stock Dividend and Share Purchase Plan both of which will be offered to common shareholders of the The Toronto-Dominion Bank.

Subscription Agent: Canada Permanent Trust Company

CAMRECO INC.

(formerly Windfall Oils and Mines Limited)

The Company is offering by means of a fixed price offering on the floor of the Toronto Stock Exchange, not more than 1,500,000 common shares to net the company \$1,750,000.

Agent: Goulding, Rose & Turner Limited

PRELIMINARY PROSPECTUS WITHDRAWN

AURORA CZAR ENERGY COMPANY LTD.

A preliminary prospectus dated May 14, 1981 of Aurora Czar Energy Company Ltd. has been withdrawn at the request of the company.

PRELIMINARY PROSPECTUSES RECEIVED

September 11, 1981

Tejas Petroleum Resources Ltd.

Offering 1,200,000 common shares (without par value) at a price of .80¢ per share.

Secondary Offering: 280,000 shares

Underwriter: E.A. Manning Limited

TransAlta Utilities Corporation

National Issue - Alberta

Offering * % secured sinking fund debentures, Series H (redeemable) at a price of * plus accrued interest.

Underwriters: Merrill Lynch, Royal Securities Limited

TransAlta Utilities Corporation

National Issue - Alberta

Offering \$ *,000,000 (* shares) * % first preferred shares (redeemable) at a price of \$ * per share.

Underwriters: Merrill Lynch, Royal Securities Limited

September 15, 1981

National Resource Exploration Program
- 1981, Limited Partnership

National Issue-Alberta

Offering 3,000 units at a price of \$5,000 per unit.

Agent: MD Management Limited

September 16, 1981

Emerald Place I

National Issue - Alberta

Offering 32 A Units at a price of \$23,000 Per Unit and 30 B Units at a price of \$27,500 per unit.

Agent: Imperial Securities Ltd.

Humongus Productions Ltd.

National Issue - Ontario

Offering 200 Units of Ownership in a feature length motion picture tentatively entitled "Humungus" at a price of \$10,000 per unit.

Agent: Osler, Wills Bickel Limited

The North Shore

National Issue - Manitoba

Offering 400 limited partnership units at a price of \$17,500 per unit.

Agent: Richardson Securities of Canada

AMENDMENTS RECEIVED

September 9, 1981

Gane 1981-82 Program

Amendment #1 dated September 8, 1981 to prospectus dated August 27, 1981.

September 14, 1981

Jamex Resources Limited

Amendment #1 dated August 11, 1981 to prospectus dated June 29, 1981.

SEPTEMBER 1981

REGISTRATIONS

SECURITIES

INVESTMENT COUNSEL and as PORTFOLIO MANAGER

Aideck Investments Inc.,
43 Francine Drive,
Willowdale, Ontario.
M2H 2G5.

(effective September 9, 1981) New Registration

L. P. Breithaupt Associates,
39 Aberdeen Road,
Kitchener, Ontario.
N2M 2Y4.

(effective September 10, 1981) New Registration



OTHER INFORMATION

TRANSFERS WITHIN ESCROW

CARTIER RESOURCES INC.

<u>From</u>	<u>To</u>	<u>No. of Shares</u>
International Mogul Mines Limited	Christopher Harrop, in trust for Cartier Quebec Explorations Limited	480,000

FLYING CROSS PETROLEUM CORP.
(Formerly Rich Point Mines Limited)

<u>From</u>	<u>To</u>	<u>No. of Shares</u>
Estate of Louis Cadesky	Frank Cadesky	133,875

INITIATIVE EXPLORATION INC.
(Formerly Initiative Exploration Limited)

<u>From</u>	<u>To</u>	<u>No. of Shares</u>
Lehman Brothers, Kuhn, Loeb Inc.	J.J. Hirshhorn	304

MARSHALL BOSTON IRON MINES LIMITED

<u>From</u>	<u>To</u>	<u>No. of Shares</u>
Raymond Marshall and Charles Marshall Jr. beneficially held for Charles Marshall Sr.	Laurenza Marshall	75,750

CONSOLIDATED CANORAMA EXPLORATIONS LTD.

The above noted corporation was revived by order dated August 6, 1981.

The cease trading order issued by the Commission on September 4, 1975 continues in full force and effect.

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SILVER LAKE RESOURCES	35K
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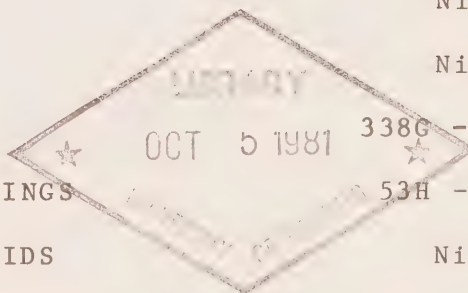
Ontario
Securities
Commission

OSC Bulletin

25TH SEPTEMBER, 1981

VOLUME 2 #11/81

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NOTICES

PROSPECTUS CLEARING PROCEDURES

When the Corporate Finance Branch provides prospectus comment letters to filing solicitors, copies of these letters are mailed to the issuer, the issuer's auditors and underwriters, since all of these parties are involved in the preparation of the material filed. Since the Commission normally is not advised of the names of the people involved, the staff is unable to address the copies to the appropriate individuals. As a result, these communications may be delayed significantly, particularly if the auditing and underwriting firms are very large.

Both in response to requests to amend this procedure and because the Corporate Finance Branch is concerned that all copies of prospectus comment letters be provided to the appropriate parties as expeditiously as possible, it is suggested that filing solicitors provide in their initial covering letter a list of the names and addresses of up to three individuals to whom these copies of the comment letters should be addressed. Where such a list is not provided, copies of the comment letters will continue to be addressed and mailed to the issuer and its auditors and underwriters without being marked to the attention of an individual.

ORDER IN COUNCIL

The OSC is pleased to advise that the following Order in Council was issued by the Lieutenant Governor on July 22, 1981:

"On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that

Pursuant to the provisions of the Ontario Securities Act,

Edgar Stuart Miles,
Toronto

be reappointed a member of the Ontario Securities Commission for a period of two years, effective from the 7th day of September, 1981, to the 6th day of September, 1983;

And that

Stuart D. Thom, Q.C.,
Islington

be reappointed a member of the Ontario Securities Commission for a period of one year, effective from the 7th day of September, 1981, to the 6th day of September, 1982."

Edgar Stuart Miles, of Toronto, Ontario, was born in Quebec in 1919. Commissioner Miles attended Runnymede Collegiate Institute (1933-1938) and University of Toronto (1938-1942) graduating with a Bachelor of Commerce in Absentia. He served with the R.C.A.F. (1941-1945) as Navigator, succeeding to final rank of Squadron-Leader. Commissioner Miles joined Burns Bros. and Denton Ltd. (now Burns Fry Ltd.) (1945-1976) in the Research Department and succeeding responsibilities included Director/Research, Director/Underwriting, Vice-President Equities, (TSE Member Designate) and Chairman Executive Committee. In 1950 Commissioner Miles was appointed Vice-President Junior of the I.D.A. Other appointments included President of Toronto Financial Analysts Association (1954), Member of Board of Governors of TSE (a two-year term from late 1960's to mid-1970's), Chairman of TSE (1975) and President of Ticker Club (1969) as well as appointments to various I.D.A. committees. Commissioner Miles is a Director of Data Crown Ltd. and a Director of Becker Milk Ltd. and has been a Commissioner of the Ontario Securities Commission since September 1977.

Stuart D. Thom, Q.C., of Islington, Ontario, was born in Regina, Saskatchewan. After attaining a B.A. degree from the University of Toronto and an LL.B from the University of Saskatchewan, Commissioner Thom was in private practice in Regina prior to the War. Upon discharge from navel service in 1945 he became Legal Executive Assistant to the Deputy Minister of National Revenue, Taxation, Ottawa. In 1947 Commissioner Thom joined the firm of Smith, Rae, Greer & Cartwright in Toronto, which became Smith, Rae, Greer, Sedgwick, Watson & Thom in 1950 when Mr. Cartwright went to the Supreme Court. In 1954 Commissioner Thom joined Osler, Hoskin & Harcourt and engaged in the practice of business and corporate law, with particular emphasis on taxation and was appointed a Queen's Counsel in 1957. Commissioner Thom was a member of the Board of Governors of the Canadian Tax Foundation for a number of years and Chairman of the Board in 1960. Commissioner Thom has been a Bencher of the Law Society of Upper Canada since 1967 and was Treasurer of that Society from 1974 to 1976. For many years Commissioner Thom was active in the Victorian Order of Nurses for Canada, was Chairman of the Board of Management for Canada from 1961 to 1966 and is a member of the National and University Clubs in Toronto.

TAKE-OVER BIDS: SECURITY EXCHANGE OFFERS
MARKET "SUPPORT, MAINTENANCE OR STABILIZATION"

In a security exchange take-over bid, where securities of a class listed on a stock exchange or traded in the over-the-counter market, are being offered in whole or in part in exchange for the securities sought by the offeror, the offeree's perception of the value of the consideration being offered will be affected, at least in part, by the market price of the securities of the class offered in exchange. This price should be arrived at by normal market forces taking into account the terms of the offer and the number of additional securities being offered.

The Commission views it as quite inappropriate for any party on behalf of the offeror or in support of the offeror's bid to make purchases in the market in guise of market "support", market "maintenance" or market "stabilization" which have the effect of keeping those market prices at levels higher than would have been the case in the absence of such purchases. Notwithstanding any announcement that such a program has been undertaken, the Commission views the potential result as giving an artificial or deceptive appearance to the market price.

Conversely the Commission also would be concerned if there was evidence of interference in the marketplace by other interested parties for the purpose of depressing the price of securities to be offered in order to defeat a take-over bid.

(Through inadvertence the above Notice, which was released through Canada News-wire and Dow Jones on June 8, 1981, was not published in the OSC Bulletin).

CANADA PERMANENT MORTGAGE CORPORATION
GENSTAR CORPORATION AND UNICORP FINANCIAL CORPORATION

The application made on behalf of Unicorp Financial Corporation, requesting the Ontario Securities Commission to take action to require Genstar Corporation to pay to shareholders of Canada Permanent who tendered their shares to Genstar's take-over bid an additional \$4 per common share and an additional \$4.75 per Series A preference share of Canada Permanent, will be heard at a public hearing at 10:45 a.m. (rather than 2:30 p.m. as originally announced) on Thursday, October 1, 1981 at the Commission's offices on the 6th Floor, 10 Wellesley Street East, Toronto.

REFERENCE: 963-0216

DECISIONS, ORDERS AND RULINGS

IN THE MATTER OF THE CANADA TRUST COMPANY INVESTMENT FUND, INCOME AND EQUITY PARTS

UPON the application of The Canada Trust Company (the "Company") to the Ontario Securities Commission (the "Commission") pursuant to section 79(b)(ii) of the Securities Act, R.S.O. 1980, c.466 (the "Act") received and perfected on December 8, 1980 as supplemented on June 23, 1981 and August 28, 1981 for an order exempting the Income and Equity Parts of The Canada Trust Company Investment Fund (collectively, the "Fund"), in part, from the requirements of sections 76(2) and 78 of the Act;

AND UPON it appearing that:

- (a) the Fund is a mutual fund within the meaning of the Act created by a declaration of trust of the Company;
- (b) the Fund is a reporting issuer within the meaning of the Act;
- (c) the financial year of the Fund ends on April 30 in each year;
- (d) the Fund makes cash distributions to its participants (the "Participants"), except those Participants who have elected to reinvest the amount of such distributions in the Fund, twice annually based on financial distribution information (the "Distribution Information") prepared by the Fund as of June 30 and December 31 in each year and mailed to Participants as soon as practicable after preparation thereof;
- (e) sections 76(2) and 78 of the Act require that the Fund file with the Commission and distribute to Participants on or before December 30 in each year an interim financial statement for the six month period ended October 31 in each year;
- (f) the Fund ordinarily distributes to Participants the interim financial statement referred to in (e) above concurrently with the Distribution Information prepared as of December 31 in each year;

- (g) the majority of Participants are individuals taxed on a calendar year basis pursuant to the Income Tax Act (Canada);
- (h) The Distribution Information prepared as of December 31 in each year is relevant to Participants for tax planning and in making investment decisions relating to the Fund; and
- (i) the distribution of the interim financial statement referred to in (e) above to Participants within the time required by the Act followed by the subsequent distribution to Participants of the Distribution Information prepared as of December 31 in each year would significantly increase distribution costs chargeable against income of the fund otherwise distributable to Participants;

AND UPON the Commission being of the opinion that to do so would not be prejudicial to the public interest;

IT IS ORDERED pursuant to section 79(b)(ii) of the Act that the Fund be and hereby is exempted from the requirements of sections 76(2) and 78 of the Act that it file with the Commission and distribute to Participants an interim financial statement for the six month period ended October 31 in each year within 60 days of the date to which each such statement is made up, provided that:

1. the Fund shall file with the Commission and distribute to Participants the said interim financial statements within 90 days of the date to which each such statement is made up; and
2. this exemption shall terminate forthwith upon the occurrence of a material change in the affairs of the Fund or upon a change in the financial year end of the Fund unless the Commission is satisfied that the exemption should continue.

16th September, 1981.

"Henry J. Knowles"

"Harry S. Bray"

IN THE MATTER OF NORTHWAY-GESTALT CORPORATION

UPON the application of NORTHWAY-GESTALT CORPORATION ("NGC") to the Ontario Securities Commission (the "Commission") for an order pursuant to section 82 of the Securities Act, R.S.O. 1980, c.466 (the "Act");

AND UPON it being represented that NGC now has fewer than fifteen security holders resident in Ontario;

AND UPON the Commission being satisfied that to grant this order would not be prejudicial to the public interest;

IT IS ORDERED pursuant to section 82 of the Act that NGC be and hereby is deemed to have ceased to be a reporting issuer for the purposes of the Act for so long as it shall have fewer than fifteen security holders whose latest address as shown on the books of NGC is in Ontario.

16th September, 1981.

"Henry J. Knowles"

"Harry S. Bray"

IN THE MATTER OF MCO HOLDINGS, INC.

UPON the application, initially received August 26, 1981 and perfected August 27, 1981 of MCO Holdings, Inc. ("MCO") a corporation incorporated under the laws of the State of Delaware, U.S.A. to the Ontario Securities Commission (the "Commission") pursuant to the provisions of section 99(e) of the Securities Act, R.S.O. 1980, c.466 (the "Act")

AND UPON it appearing to the Commission that:

1. MCO Holdings, Inc, formerly called McCulloch Oil Corporation is a Delaware corporation whose common stock is traded on the American, Pacific and Philadelphia Stock Exchanges;
2. approximately seven-tenths of one percent (7/10 of 1%) in number of its stockholders, holding approximately four percent (4%) of its issued common stock, are residents of Ontario;
3. MCO proposes to offer to exchange its Class A \$.05 Non-Cumulative Participating Convertible Preferred Stock for up to 850,000 shares of its common stock upon terms set out in an Offering Circular relating to the exchange offer;
4. the Offering Circular provides disclosure substantially similar to that provided by an issuer bid circular under the Act;
5. following the exchange offer those holders of common stock who declined the Offer will have available a market to dispose of their shares that is not materially less liquid than prior to the exchange offer;

AND UPON the Commission being of the opinion that it would not be prejudicial to the public to make the within Order;

IT IS ORDERED pursuant to section 99(e) of the Act that MCO is exempted from the requirements of Part XIX of the Act with respect to the exchange offer provided that:

- (1) The Offering Circular, a copy of which has been delivered to the Commission, together with any amendments thereto, shall be deemed to be an issuer bid circular for the purposes of Part XIX of the Act;

- (2) All material relating to the Offering Circular which has been or will be sent by MCO to security holders resident in the United States of America shall be sent to security holders of MCO resident in Ontario and a copy thereof shall be sent to the Commission.

16th September, 1981.

"Henry J. Knowles"

"Harry S. Bray"

IN THE MATTER OF NORTHWEST INDUSTRIES, INC.

UPON the application, initially received and perfected September 15, 1981 of Northwest Industries, Inc. ("Northwest") to the Ontario Securities Commission (the "Commission") pursuant to section 99(e) of the Securities Act, R.S.O. 1980, c.466 (the "Act") for an order exempting Northwest from the requirements of Part XIX of the Act;

AND UPON Northwest representing that:

1. Northwest is a corporation incorporated under the laws of the State of Delaware, one of the United States of America;
2. As of August 31, 1981, there were outstanding 29,938,626 common shares of Northwest. The said common shares are listed on the New York and Pacific Stock Exchanges;
3. As of July 31, 1981 less than 1% of the common shareholders owning less than 1% of the common shares of Northwest resided in Ontario;
4. Pursuant to the terms of an Offer to Purchase dated September 11, 1981 (the "Offer") Northwest offered to purchase up to 3,000,000 of its common shares at a price of \$55.00 (U.S.) net per share. The Offer is not conditional upon any minimum number of common shares being tendered. If more than 3,000,000 common shares are duly tendered, Northwest may elect to purchase any or all of such excess common shares up to an additional 2,000,000 common shares;
5. The Offer has been made in compliance with the requirements of the Securities Exchange Act of 1934 of the United States of America;

6. The Offer is open for acceptance until 5:00 p.m. Chicago time, on October 1, 1981, subject to extension at the option of Northwest;

AND UPON the Commission being of the opinion that it would not be prejudicial to the public interest to grant this order;

IT IS ORDERED pursuant to Section 99(e) of the Act that Northwest be and hereby is exempted from the requirements of Sections 89, 90, 95(2) and 98 of the Act with respect to the Offer provided that:

- (1) The Offer to Purchase, a copy of which has been submitted as EXHIBIT 1 to Northwest's application together with any amendments thereto, shall be deemed to be an issuer bid circular for the purposes of Part XIX of the Act;
- (2) All material relating to the Offer to Purchase which has been sent by Northwest to common shareholders resident in the United States of America shall be sent to common shareholders of Northwest resident in Ontario and a copy thereof shall be sent to the Commission.

18th September, 1981.

"R. T. Morgan"

"E. S. Miles"

IN THE MATTER OF KINGSBRIDGE APARTMENTS LIMITED

UPON the application, initially received June 26, 1971, and perfected September 16, 1981, of Kingsbridge Apartments Limited ("Kingsbridge") to the Ontario Securities Commission (the "Commission") pursuant to section 79(b)(iii) of the Securities Act, R.S.O. 1980, c.466 (the "Act");

AND UPON the Commission being of the opinion that to grant this order would not be prejudicial to the public interest and being satisfied in the circumstances of this particular case that there is adequate justification for so doing;

IT IS ORDERED pursuant to section 79(b)(iii) of the Act that Kingsbridge Apartments Limited be and hereby is exempted from the requirements of the Act to file with the Commission and send to its security holders resident in Ontario interim financial statements for each of the first and third quarters of each of Kingsbridge Apartments Limited financial years provided that:

1. By a vote of the security holders of Kingsbridge Apartments Limited entitled to vote, taken at each annual meeting of the security holders, a majority of the votes cast shall approve of this exemption, but the results of such votes, in any case, shall be reported to the Commission in writing within ten business days of the taking thereof; and
2. This exemption shall terminate forthwith after the occurrence of a material change in the affairs of Kingsbridge Apartments Limited unless the Commission is satisfied that the exemption should continue.

23rd September, 1981.

"Henry J. Knowles"

"R. T. Morgan"

(These pages are substituted for pages 24C to 30C of
Bulletin #10 dated 18th September, 1981).

REASONS: DECISIONS, ORDERS, RULINGS

IN THE MATTER OF THE SECURITIES ACT, 1978

AND

IN THE MATTER OF THE SEAGRAM COMPANY LTD.

Hearings: August 25 and 28, 1981

Present: Henry J. Knowles, Q.C. - Chairman
Harry S. Bray, Q.C. - Vice-Chairman
Robert T. Morgan - Commissioner
E. Stuart Miles - Commissioner
Stuart Thom, Q.C. - Commissioner
A.T. Holland - Commissioner

Phillip F. Vineberg, Q.C.) Counsel to the
Robert J. Carew) Applicant

Ronald Rodgers - Staff Counsel

This was an application made by The Seagram Company Ltd. ("Seagram") for an order under Section 79 of the Securities Act (now R.S.O. 1980, c. 466, "the Act") for a ruling,

"(A) THAT the Commission determines that the Applicant's presentation of geographic data on a segmented basis, as set forth in Note 10 to the Applicant's Financial Statements in respect of the Applicant's fiscal year ended July 31st, 1980 (the "Financial Statements") is in conformity with the Act and the Regulations under the Act (the "Regulations"); or

(B) In the alternative, that the Commission determine that the Applicant not be required to disaggregate in its financial statements financial information with respect to Canada and the United States as separate segments, since such disaggregation would be confusing and potentially materially misleading to the Applicant's shareholders and the investment community."

At the conclusion of argument, Mr. Vineberg requested that, if the Commission were not inclined to grant either of these applications, it take note of the fact Seagram's July 31, 1981, Financial Statements were being prepared and audited and that Seagram not be required to provide segmented information for the 1980 year but rather it be permitted to include the information in its 1981 Financial Statements.

The Act and its regulations require that financial information required to be filed under Section 77 of the Act should be made up and certified as required by the regulations and in accordance with generally accepted accounting principles ("gaap"). Section 1(3) of the Regulation to the Act states,

"...for the purposes of the Act and this Regulation, where a recommendation has been made in the Handbook of the Canadian Institute of Chartered Accountants which is applicable in the circumstances, the terms "generally accepted accounting principles", "auditor's report" and "generally accepted auditing standards" means the principles, report and standards, respectively, recommended in the Handbook."

Seagram is a federal company continued under and subject to the Canada Business Corporations Act ("C.B.C.A."). Its securities are listed on a number of major stock exchanges, including The Toronto Stock Exchange. It is a "reporting issuer" as that term is defined by the Act and is therefore subject to the continuous disclosure requirements of Part XVII of the Act, including the requirements of Section 77.

Section 1700.07 of the Handbook requires disclosure in the financial statements of reporting issuers of,

"...information which segments its total operations first by industry and second by

geographic area. In addition, such an enterprise should disclose the amount of its export sales."

This "recommendation" (requirement) was published in April, 1979, and applied to financial statements for the fiscal years commencing June 1, 1979. So far as Seagram is concerned it applied first to its July 31, 1980 Financial Statements. The Commission staff commenced reviewing financial statements filed to be assured that there had been general compliance with the new segmented information requirements. This indication of staff concern appears to have led to the Seagram application.

Through Note 10 to its Financial Statements, Seagram purports to comply with the segmented information requirements by identifying the following geographic segments, North America, Europe, Latin America and Australasia. Canada and the United States are not segregated. The audit report of Price Waterhouse & Co. ("P.W.") to the Seagram shareholders opines that the Financial Statements, without qualification, are in accordance with gaap.

Clauses .36 to .44 of Section 1700 of the Handbook deal with the requirements for geographic segmenting. Clause .36 explains the purpose of geographic segmentation. Clause .37 then states,

"When presenting segmented information concerning an enterprise's operations in various geographic areas, it is important to distinguish between foreign and domestic operations. For purposes of this Section, a multinational enterprise's domestic operations would be considered a separate geographic segment."

Section 1700.44 details what must be disclosed for each reportable "foreign geographic segment".

In examining the scope of these requirements Section 1700.04 notes,

"An enterprise's domestic operations may derive revenue from sales to customers in the enterprise's country of domicile and from sales to customers in foreign countries, i.e., export sales. An enterprise may rely significantly on revenue arising from export sales of its domestic operations. In such circumstances, knowledge of the extent of such export sales is considered important to financial statement

users in order to fully assess the enterprise's business risk."

Seagram is a holding company encompassing a range of domestic and foreign subsidiaries, involved so far as the Canadian assets are concerned in distilling, warehousing and marketing Canadian produced spirits both in Canada and elsewhere. Its principal foreign market is the United States of America. No details were offered in evidence breaking down these elements between Canada, the United States of America and elsewhere by the Applicant. Instead its witnesses spoke in global figures with the Canadian assets, including production and the profits taken in Canada, being variously described in the 1980 financial year as being just under 10% of the global figures. Its relative importance in the 1981 financial year is said to be significantly less.

Seagram argues that the United States of America and Canada constitute a "domestic" market for it. This militates against making any comparison, in terms of Section 1700.36, of differences between the levels of risk, rates of profitability and opportunities for growth that differ from those that exist in the enterprise's country of domicile, which we find to be Canada.

Through its witnesses, including an audit partner of P.W., the Applicant maintained that the most meaningful presentation of Seagram's operations on a geographically segmented basis was obtained by combining Canada and the United States of America as one geographic segment comprising its "domestic" operations. The position of management is articulated and approved by P.W. in its letter dated August 17, 1981, Exhibit 5 (which was prepared for another purpose), which states, in part, as follows,

"...Based on our discussion with the company's management, the degree of integration of the company's business in Canada and the United States is such as to cause them to be interdependent to an extent that the risks associated with such business and, as a consequence, the operating profits, are not divisible."

The letter goes on to next state,

"In our judgment the arguments put forward by the company's management are valid and the presentation of Canada as a separate geographic segment might be materially misleading.

Section 1700 of the Handbook is based, in part, on the premise that fair presentation of segmented data on a geographic basis will be obtained by treating an enterprise's domestic operations as being a separate geographic segment. We are satisfied that in the circumstances of The Seagram Company Ltd. the treatment of Canada as a separate segment would not result in fair presentation and accordingly, we have concluded that Section 1700 is not applicable in that particular respect. On this basis it is our opinion that the disclosure of geographic segmented data provided in the financial statements of The Seagram Company Ltd. is in accordance with generally accepted accounting principles..." (Emphasis added.)

The letter then adds that in reaching this conclusion P.W. was relying on the general discretion set out in the Introduction to Accounting Recommendations, under the heading "Application" which states, in part,

"1. In issuing Recommendations, the Accounting Research Committee recognizes that no rule of general application can be phrased to suit all circumstances or combination of circumstances that may arise, nor is there any substitute for the exercise of professional judgment in the determination of what constitutes fair presentation or good practice in a particular case..."

The importance of segmented reporting to investors is not questioned by the Applicant. We therefore do not dwell on it nor find it necessary to review the reasons which led to the adoption in the Act and Regulation of the Handbook standards. Suffice it to say, from an investor's view and particularly those of his professional advisors, in order to assess the relative merits of publicly traded issuers having some or similar characteristics, their financial statements should conform to similar standards. We noted that another major distiller, which is also multinational with other industry segments, found it possible to distinguish between Canada and the United States of America in accordance with Section 1700.44.

We are of the view that the Handbook clearly contemplates, where the reporting issuer is a company incorporated in any Canadian jurisdiction, that Canada should

be distinguished from the United States of America. We are not persuaded on the evidence before us that the necessary result of such segmented reporting would, in the terms of the P.W. letter, the evidence and the submissions, be materially misleading. However, notwithstanding the fact that the Applicant was not able to carry the argument before us, we think that the ultimate decision as to whether P.W. properly exercised its professional judgment in concluding that the disaggregation of the Canadian and United States of America information would result in an unfair presentation, one which might be materially misleading, is one which might more properly be tested, in the first instance, by the professional institutes of which P.W. is a member and which subscribe to the standards in the Handbook.

We have noted that in the general standards found in Section 1500.06 of the Handbook it states,

"Where the accounting treatment or statement presentation does not follow the recommendations in this Handbook, the practice used should be explained in notes to the financial statements with an indication of the reasons why the recommendation concerned was not followed..."

Such an explanation is absent from the Seagram's Financial Statements. There is no reference to this deficiency in the auditor's report. We think the requirement is a useful one, enabling the auditor to point to the evidence upon which it based the exercise of its professional judgment. We further believe that it would be appropriate, in a case such as the present one where the audit partner testified that P.W. was able to give an unqualified opinion based on the reasoning set out in the P.W. letter, that the basis of the opinion should be elaborated upon in the auditor's report. This will explain to the reader who, like the Commission's staff, is puzzled as to the reasons for the failure of management, to comply with what we find are the clear requirements of the Handbook in this case, to segment geographically between Canada and the United States of America. In addition, the auditor should be prepared to explain in its report the basis upon which it exercised its professional judgment thereby enabling it to offer an unqualified opinion that the financial statements complied with gaap.

In the present case, absent such an explanation in its report by the auditor which may be tested as appropriate by a self regulatory accounting body, such as the Ontario Institute of Chartered Accountants, we expect to see appropriate segmentation, with explanations as to its limits

and deficiencies so as to be assured that the reader will not be misled, in the 1981 Seagram Financial Statements. We agree that there is little point in requiring an addendum to the 1980 Financial Statement at this juncture and propose taking no further action to force compliance.

10th September, 1981.

"Henry J. Knowles"

"Harry S. Bray"

"R. T. Morgan"

"E. S. Miles"

"Stuart Thom"

"A T. Holland"

IN THE MATTER OF THE SECURITIES ACT, 1978

AND

IN THE MATTER OF HUDSON'S BAY OIL AND GAS COMPANY LTD., AND
DOME ENERGY LIMITED

Hearing: August 27, 1981

Present: Henry J. Knowles, Q.C. - Chairman
Harry S. Bray, Q.C. - Vice-Chairman
E. Stuart Miles - Commissioner
Geddes M. Webster, P. Eng. - Commissioner
Alfred T. Holland - Commissioner

Purdy Crawford, Q.C.) Counsel to Dome Energy
Peter J. Dey) Limited ("Dome"), (the
S.J. LoVecchio) "Applicant")

G. Patrick Vernon, Q.C.) Counsel to Hudson's
L. Thomas Forbes, Q.C.) Bay Oil and Gas
Company Ltd. ("HBOG")

Roger G. Doe, Q.C. - Counsel to the Special
Committee of the Board
of Directors of HBOG
("Special Committee")

J.F. Howard, Q.C.) Counsel to the
Ian M. Douglas) Hudson's Bay Company
Limited, a shareholder
of HBOG (the "Bay")

Goulding Lambert - for Jarislowsky,
Fraser & Co. Ltd.,
Investment Counsel, on
behalf of certain
minority shareholders
of HBOG

Richard A. Lococo - Staff Counsel

This hearing was convened to consider the application of Dome made under section 99(e) of the Securities Act, R.S.O. 1980, c. 466 (the "Act"). The Act continued, without amendment, effective August 1, 1981, the provisions of The Securities Act, 1978, S.O. 1978, c. 47 as amended. For the purposes of these reasons, in the appropriate time frame, the reference to the Act is to the Act then in force.

The Applicant, a corporation incorporated under the Canada Business Corporations Act ("CBCA") is the wholly-owned subsidiary of Dome Petroleum Limited, a corporation also incorporated under the laws of Canada ("Dome Petroleum"). The executive offices of both companies are in Alberta. Through a tender offer made on May 6, 1981, the Applicant had the right to acquire up to 22,000,000 shares of Conoco Inc., a company incorporated under the laws of Delaware. Through a Stock Redemption and Purchase Agreement dated as of June 1, 1981, the Applicant acquired from Conoco 40,156,268 (approximately 52.9%) of the common shares of HBOG. These shares were and are listed on The Toronto Stock Exchange. At the date of the application, August 17, 1981, 75,933,088 common shares and 10,350 Series A Preferred Shares convertible into common shares on a share-for-share basis of HBOG were issued and outstanding.

The application, which was received by the Commission on August 19, 1981, made the following request,

"This Application is made on behalf of the Applicant for an order under Section 99(e) of the Act exempting the Applicant from any obligation which the Applicant may have under Section 91(1) of the Act in respect of common shares of HBOG not acquired pursuant to the Stock Redemption and Purchase Agreement or the Conoco Inc. tender offer...provided the Applicant satisfies the conditions set forth in the draft annexed hereto."

In its simplest terms the Applicant stated that it was prepared to meet any obligation it might have under section 91(1) of the Act through a Plan of Arrangement (the "Plan") it had proposed to a regular meeting of the Board of Directors of HBOG ("Board") on August 14, 1981, under section 185.1 of the CBCA which, if approved by the shareholders of HBOG, would result in each minority shareholder being offered alternatively through a direct exchange with the Applicant or Dome Canada Limited (48% of whose shares are owned by Dome Petroleum) either common shares or convertible preferred shares of Dome Petroleum on a share-for-share basis or each dissenting

shareholder of HBOG would be granted the right to dissent under section 184 of the CBCA, the effect of which would be that any shareholder who dissents from the special resolution approving the Plan would be entitled to have HBOG pay the fair value of the HBOG shares held by such dissenting shareholder as determined by the Court of Queen's Bench of Alberta (the "Court").

It was the Applicant's submission, with which the Commission after hearing the parties represented agreed, that in the terms set out in clause (e) of O.S.C. Policy 3-41 it was seeking to offer the remaining shareholders of HBOG, in the language of section 91(1) of the Act, a consideration at least equal in value to the greatest consideration paid Conoco Inc. for the HBOG shares under the Stock Redemption and Purchase Agreement.

Before the Plan could be implemented there were numbers of safeguards which assured a level of fair dealing as between the different shareholders, including the Bay, the latter representing the largest single minority block of HBOG shares, and the clients of Jarislowsky, Fraser & Co. Ltd., both of whose views were clearly articulated before the Commission.

The Plan suggested by the Applicant to the Board must, under section 185.3 of the CBCA, be instituted by HBOG through an application to the Court. It would commence with an interim application for approval to proceed with the calling of a shareholders' meeting to approve the Plan which will have previously been reviewed by the Court. The Court will determine who should be given notice and the other terms of the meeting.

The Board has appointed the Special Committee from among their numbers, whose members have no connection with Dome (although three have an association with the Bay) who are proceeding to obtain an opinion or opinions as to the value of the consideration proposed by the Applicant, said to be worth \$50 per HBOG share. This Special Committee will be reviewing details of the draft Plan as set out in material prepared by the Applicant and will report back to the Board. If the Board elects to approve and proceed with the Plan the first application to the Court will be made for an interim order. This would be followed, if the Court approves, by a special meeting of shareholders and, if the shareholders approve in accordance with whatever terms have been set by the Court in the interim order, an application will be made to the Court for final approval and for an order determining the amount HBOG must pay to each dissenting shareholder.

It was argued vigorously on behalf of the Bay that it was not possible to deal with the application without having the definitive terms of the proposal before us. The Commission does not agree. If the consideration offered in exchange for the HBOG shares appears not to be at least equal in value to the consideration received by Conoco Inc. no doubt a further application will be made by an interested party to the Commission. It is also clear that the Special Committee may not find it possible to make a recommendation to the Board until the terms of the securities proposed to be offered are defined.

Mr. Lambert argued, in essence, that the proposal was not a generous one and that his clients wanted to keep their HBOG shares. These views should be addressed directly to the directors of HBOG and also may be placed before the Court.

Section 91(1) requires that a follow-up bid be made within 180 days of the private agreement. Calculated from June 1, the day the agreement with Conoco Inc. for the HBOG shares closed, that period would expire on November 30, 1981. Accordingly, our order is conditioned to expire on November 30 if the Plan had not been implemented by that date. The Commission recognized that the failure to implement the Plan might be something over which the Applicant has no control. Accordingly, if the Plan has not been rejected by either the Board or the HBOG shareholders but is still moving forward on November 30 the Applicant will be free to seek a further extension through an application under section 140 of the Act.

A second condition to the order, added to emphasize the obvious, is that the Applicant must offer a consideration through the Plan which is at least equal in value to the value it paid Conoco Inc. If it is not, the minority shareholders entitled to receive a follow-up offer will still have whatever remedy they perceive themselves to have now to enforce payment under section 129 of the Act.

The Commission also adopted the conditions suggested in the draft order which accompanied the application with some minor variation. The conditions are,

- (a) the Plan must be approved at a special meeting of the shareholders of HBOG duly called for the purpose of considering the Plan pursuant to an order of the Court;
- (b) the Plan must be approved by at least 66 2/3 per cent of the votes cast by

holders of the common shares of HBOG present in person or by proxy at the meeting or such other vote as the Court may require;

- (c) each shareholder of HBOG must be granted the right to dissent from the special resolution approving the Plan under section 184 of the CBCA and thereby be entitled to receive in cash a fair value to be fixed by the Court;
- (d) if the Plan is approved by the shareholders it shall be resubmitted to the Court for a hearing to give final approval to the Plan and at that hearing the Court will receive and consider evidence respecting the fairness of the terms and conditions of the Plan to the minority shareholders; and
- (e) at such final hearing all shareholders of HBOG will be granted the right to appear and to file evidence with respect to the fairness of the terms and conditions of the Plan.

A copy of the order is reproduced in OSCB, 1981, Vol. 2, p.149B.

Some complaint was made about the short notice of this hearing and the manner in which notice was disseminated. It was apparent that the Applicant believed the question raised through this application to be one which had to be resolved before a final plan could be structured. Time was running. The possibility of some form of a follow-up offer had been the subject of press conjecture. The Commission believed there should be widespread dissemination of the fact of the application and the hearing and accordingly made the release on the Canada News-Wire Service. That it was noted by at least some interested parties was evidenced by the appearances entered. As remarked at the outset the question raised as to whether this was an acceptable alternative to a follow-up take-over bid under section 91(1) of the Act was a relatively simple one if the alternative could be structured within the times and at or above the value required by that subsection.

In the end result, instead of being offered only securities as the Applicant might have done, the HBOG dissenting shareholders will be given the cash alternative fixed by the Court if the Plan proceeds.

16th September, 1981.

"Henry J. Knowles"

"H. S. Bray"

"E. S. Miles"

"A. T. Holland"

"G. M. Webster"

EXPLANATORY NOTES

Information contained in this section has been summarized from insider reports filed with the Commission.

The name of the issuer is followed by a brief description of the class of security the name of the person or company reporting and his or its relationship to the issuer. If a person has an indirect interest in the securities reported, e.g., through holding companies, affiliate companies, partnerships, trusts or other entities, this is shown. Symbols are used in the column "Transaction and Ownership Symbol" to indicate the nature of ownership i.e., direct or indirect. Similarly the character of transactions is indicated provided the transactions are other than a purchase or sale. (See guide to symbols below):

GUIDE TO SYMBOLS

RELATIONSHIP (appearing after the name reported)

- "B" - Beneficial Owner (direct or indirect) of equity shares of a reporting issuer carrying more than 10% of the voting rights attached to all equity shares of the reporting issuer outstanding.
- "D" - Director of principal reporting issuer.
- "DI" - Director of an issuer or a reporting issuer which is an insider or subsidiary of the principal reporting issuer.
- "K" - Exercises control or direction (direct or indirect) of equity shares of a reporting issuer carrying more than 10% of the voting rights attached to all equity shares of the reporting issuer.
- "S" - Senior Officer of principal reporting issuer.
- "SI" - Senior Officer of an issuer or a reporting issuer which is an insider or subsidiary of the principal reporting issuer.

NATURE OF OWNERSHIP

- No Symbol - Securities are beneficially owned directly.
- Symbol #1 - The reporting person or company beneficially owns and/or has control or direction over securities which are held by a company, associate, partnership, trust or other entity.

CHARACTER OF TRANSACTION

- | | | | |
|-----------|----------------------------|-----|------------------------------|
| No Symbol | - purchase or sale | "M" | - internal |
| "A" | - bequest or inheritance | "Q" | - qualifying shares |
| "C" | - compensation | "R" | - redeemed (called, Matured) |
| "E" | - exchange or conversion | "T" | - stock dividend |
| "F" | - exercise of rights, etc. | "V" | - stock split |
| "G" | - gift | "X" | - exercise of option |
| "IR" | - initial report | "Z" | - distribution |

*Returned for reconciliation purposes.

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
AFTON MINES LTD	Common	Robert E Hallbauer Wife	Aug/81	1	1400	200
ALBERTA NATURAL GAS COMPANY LTD	Common	Peter A Magowan	I R			---
		Carl O Nickle Conventures Limited	Aug/81	10000		31700
			Jun/81	1	50000	
			Aug/81	1	30000	1230000
AMERICAN QUASAR PETROLEUM CO	Common	Albert J Cohen Spouse	Aug/81		50	36224 1124
			--	1		
		Fultz Oil Company	Aug/81		1048210	2191790
		Wilford B Fultz 95% of Fultz Oil Company	Aug/81	1	1022005	2136992
		Richard R Reames	Aug/81		540	10074
ANDRES WINES LTD	Class A Common	Ralph M Logan	Aug/81	5000		8100
ARGUS CORPORATION LIMITED	Common	The Ravelston Corporation Limited	B			
		Received as a special dividend	Aug/81	956353		956353
	Preference Class C	Rec'd as special dividend	Aug/81	2878021		3729021
ASSOCIATED RECREATION CORP	Common	Stewart W Chapman Amended	Aug/81 Aug/81	X 5000		---
ATLANTIC GOLD MINES LIMITED	Common	Carl W Bergstrom	I R			1
		Avard D Hudgins	DS	I R		350001

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
ATLANTIC GOLD MINES LIMITED (continued)	Common	William G Mikkila	D I R			1
ATLANTIC RICHFIELD COMPANY	Common	Willard Chamberlain	S Jan/81 Aug/81	500	500	500
B C RESOURCES INVESTMENT CORPORATION	Common	John S R Montgomery	SI I R			2000
BANK OF BRITISH COLUMBIA	Common	David W Miller	DISI Sept/81	300		500
BANK OF MONTREAL	Common	Charles de Jocas	S I R			424
		Neil R Macmillan	S Aug/81	400		800
		Gordon MacAskill	S I R			338
BATHURST PAPER LIMITED	Preferred	Consolidated-Bathurst Inc	B Aug/81	1800		83205
BAXTER RESOURCES LTD	Common	Richard C Baxter Industries Corporation Ltd Lynn Grove Investments Ltd	SI I R I R			25000 50000
BAY MILLS LTD	Common	Anthony G Farrell	S I R			2308
BBC REALTY INVESTORS	Units	Allan D Laird	S Aug/81	2000		3000
BELL CANADA	Common	John H Aitchison	SI Jul/81	30		727
		Howard M Bender	SI Jul/81	42		1333
		John S Buchan	SI Jul/81	31		1743
		Frank T Chaikowsky	SI Jul/81	27		411

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
BELL CANADA (continued)	Common	John Elliott	SI Jul/81	30		515
		Harvey S W Goodwin	SI Jul/81 Jul/81	26	710	168
		Robert Kenedi	SI Jul/81	29		211
		John A Roth	SI Jul/81	39		268
		Harold W Hauf Amended	DSB Aug/81		8000	302818
BOW VALLEY INDUSTRIES LTD	Common	Clarence Soderling	SI I R			19500
		Selby W Porter	SI I R			15900
		Donald R Seaman Wife	DS Sept/81 -- X 1	18000		1292292 18060
BOW VALLEY RESOURCE SERVICES LTD	Common Debentures	Allan J Solie	S I R			300
		Allan J Solie	I R			3
	Common Debentures	Clarence Soderling	S I R			200
		Clarence Soderling	I R			2
BRAMALEA LIMITED	Common	Joseph Lebovic	B I R			13700
		Control or Direction	I R 1			1904300
		Wolf Lebovic RRSP	B I R 1			14700
		Douglas E MacKinnon	S Jun/81 V	426		852
		396210 Ontario Limited	Jun/81 V1 Jun/81 1 Aug/81 1	2000	300 2000	1700

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
BRAMALEA LIMITED (continued)	Common	Stock Purchase Plan RRSP	Jun/81 V1	6196		12392
			Jun/81 V1	600		
			Jun/81 1	300		1500
BRITISH COLUMBIA FOREST PRODUCTS LTD	Common	Kenneth P Clark Wife	Aug/81 X	2280		
			Aug/81 --		2000	5590 800
			Aug/81 1			
CADILLAC FAIRVIEW CORPORATION LIMITED THE	Common	Bela J Mocsy	Aug/81		2307	----
			Aug/81			
			Aug/81		1100	15700
CAE INDUSTRIES LTD	Common	G M David Bridger	Aug/81			
			Aug/81			
			Aug/81			
CAMRECO INC	Common	Philip S Broadhurst RRSP	Jul/81 1	1800		
			Aug/81 1	3000		29900
			Aug/81 1	300		4900
CANADA DEVELOPMENT CORPORATION	Common	Laurent Beaudoin	Sept/81	6000		6500
			Aug/81	3		28
			Aug/81	153		684
CANADA NORTHWEST LAND LIMITED	Common	M Jaffar Khan Share Purchase Plan	May/81	10000		15804
			Aug/81 1	160		1006
			Aug/81 --		1000	68315 1000
		Michael S Reford In Trust	Aug/81 1			
			Aug/81 --			
			Aug/81	222		
		Bruno J Todesco	Aug/81			
			Aug/81			
			Aug/81		234	25456

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CANADA PACKERS INC	Common	Canada Packers Inc	Aug/81 Aug/81 R	1800	1800	---
CANADA PERMANENT MORTGAGE CORPORATION	Common Series B Pref	Colin M A Strathy Colin M A Strathy	D Sept/81 Sept/81	20	250	20
	Common Series B Pref	Eric J Brown Eric J Brown	S Sept/81 Sept/81	40	278	40
	Common Series B Pref	William James William James	D Sept/81 Sept/81	20	250	20
CANADA TRUSTCO MORTGAGE COMPANY	Common	Kenneth J McCubbin	S Aug/81	600	4270	4270
	Preference	George W Stoyles	S Aug/81	910	1490	1490
	Common	Liam S O'Brian	S Jul/81	1	3320	3320
CANADIAN MANOIR INDUSTRIES LTD	Common	D'Alton L Sinclair RRSP	D Sept/81 1	1000	11000	11000
CANADIAN PACIFIC ENTERPRISES LIMITED	Common	Donald S Maxwell	SI Jul/81	12	1070	1070
CANDEL OIL LTD	Common	Sulpetro Limited	D Aug/81	240866	13328479	13328479
CARMA DEVELOPERS LTD	Preferred	Stanton K Hooper	DS Aug/81	300	15000	15000
	Class B Common	Anton M Usselman	DDI Aug/81	918	120071	120071
CAROLIN MINES LTD	Common	Grace McKay	Aug/81	1000	7800	7800
		Roy G McKay	DS Jun/81 Aug/81	200 1000	76550	76550

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CENTRAL TRUST COMPANY	Class A Common	Leonard Ellen Indirect Holdings	Jun/81 -	4500 1		486129 1091377
CINCINNATI RESOURCES INC	Common	Peter N Carter	Jun/81 Jul/81 Jul/81 Aug/81 Aug/81	10000 6000 20000 2000	1000 6000 2000	2100
CITIES SERVICE COMPANY	Common	Philip W Wood	Sept/81	7200		12154
		Edgar L Weeks	Aug/81		700	5192
COLLECTIVE MUTUAL FUND LTD	Special	Donald Cormie Indirect Holding	Aug/81 Aug/81	684 5117		915 112212
		Principal Group Ltd	Aug/81	5117		78031
		Adeline N Smith	Aug/81	1332		1332
COMMERCIAL OIL AND GAS LTD	Common	George W Oughtred*	Jun/81 Jul/81 Aug/81 Jul/81 --	1500 19700 16800 100000 1		1273200 100000 194500
		Indirect Holding RRSP	--	1		
COMTERM INC	Common	Jack Nounou	I R			225023
CONSOLIDATED NATURAL GAS COMPANY	Common	Trustees-Alternate Thrift Trust	Aug/81 Aug/81	42524 M	23270	2572592
CONSOLIDATED BATHURST INC	Class B Common	Pierre Arbour	Aug/81		3000	2287
	Series B Common	J G MacLeod In Trust	Sept/81 --	274 1		4824 13600

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS	
CONSOLIDATED-BATHURST INC	Common	John P Woods	S I R			857	
CONTROL DATA CORPORATION	Common	William Fitzgerald Daughter	S I R			800	
			I R		1	25	
		Howard R Fricke	S I R				4000
			William D Rowe Daughter Son	S I R			
			I R		1	74	
			I R		1	74	
		Edward G Vargon	S I R			6012	
CONVENTURES LIMITED	Common	H Norman Stewart	D Aug/81	14		476	
		Jennie O Zacharuk	S Aug/81	35		5426	
		David R Greig	S Aug/81	42		3631	
		Nickle Family Foundation	B Aug/81	18700		751726	
COSEKA RESOURCES LIMITED	Common	Douglas E MacKinnon SI	I R			900	
CRANE AIR TRAC INCORPORATED	Common	Crane Air Trac Incorporated	I R			300	
CYPRUS ANVIL MINING CORPORATION	Common	Andrew von Kursell	S Aug/81 Aug/81	X 8266	10348	----	
		Murray Cooper	DS I R			1	
DALLAS PETROLEUM RESOURCES INC	Common	James D McCannell	DSB I R Aug/81			100001	
		James D McCannell	I R		100000	1	
	Preference					500000	

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
DALLAS PETROLEUM RESOURCES INC	Common	Stanley V Burr	D I R			1
		Atwell Hough	D I R			1
DOME PETROLEUM LIMITED	Common	Kenneth Lieber	DI I R			
DOMINION TEXTILE INC	Common	James H Griffin	S Aug/81		1300	1300
		Jacques Savoie	S Sept/81	128		1100
DORSET RESOURCES LTD	Common	Thomas N Davidson	D I R			10000
		Torgrande Inc	I R	1		5000
	Warrants	Torgrande Inc	I R	1		30000
EDEN ROC MINERAL CORP	Common	George McKenzie	D I R			100000
ELMWOOD RESOURCES LTD	Common	I W S Investments Associates	B I R			400000
ENERMET RESOURCES LIMITED	Common Preference	Arthur S Bayne Arthur S Bayne A S Bayne & Company	DB I R I R I R			23751
		Peter K McWilliams	D I R			250000
	Common	Fred Munger	S I R			5001
		George B Seely	D I R			1
		A S Rocky Szetu A S Rocky Szetu Cana Exploration Consultants Limited	DSB I R I R I R			1
	Preference					23751
						250000
	Common	James H C Waite	D I R			1

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
ENSERCH CORPORATION	Common	A E Gallatin	Aug/81	G	35	265
		Son	Aug/81	G1	35	35
		Other Indirects	--	1		438
ETHYL CORPORATION	Common	Marcelian Gautreaux	--			6488
		Savings Plan	Aug/81	1	18	4007
		Paul E Weimer	--			4000
FIRAN-GLENDALE CORPORATION	Common	Savings Plan	Aug/81	1	97	1391
		Gerald R Wannamaker				
		308491 Ontario Limited	Jun/81	1	84034	---
FLYING CROSS PETROLEUM CORP	Common	Flying Cross Petroleum Corp				
		Fred Munger, In Trust	Sept/81		202500	---
		Wayne J Cyba	I R			1
FORT NORMAN EXPLORATIONS INC	Common	Vernon D McKittrick	Jul/81	X	50000	50001
		Allan E Dobson				
		Employee Savings Plan	Aug/81	1	10	152
FRANCANA OIL & GAS LTD	Common	Edward W Hayes	--			500
		Employee Savings Plan	Aug/81	1	18	324
		Robert E Budal				
G & B AUTOMATED EQUIPMENT LIMITED	Common	Amended	Aug/81		25000	272569
			Aug/81		85000	---
GENERAL AMERICAN OIL COMPANY OF TEXAS	Common	Bryan J Grenshaw	Aug/81	T	4	141
		Meadows Foundation				
		Inc	Aug/81	T	95882	3291950

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
GENERAL MOTORS CORPORATION	Common	Stephen H Fuller	Jul/81		400	1550
		Savings-Stock Purchase Program	--			944
				1		
GEORGE WESTON LIMITED	Common	John F Beck	Jul/81		55	
			Aug/81		402	1176
		Robert H Kidd	I R			500
GLOBAL COMMUNICATIONS LIMITED	Units	Gurston I Rosenfeld	Aug/81	200		1200
GOLDSEARCH LIMITED	Common	Alfred N Ferris	I R			10000
GRANDMA LEE'S INC	Common	Herman J Ratelle*	Aug/80	1000		
			Oct/80	1000		
			Mar/81	400		
			May/81	4000		10050
GREAT WEST STEEL INDUSTRIES LTD	Common A	Douglas S Kennedy	Aug/81		5000	114530
			--	1		554
GSW INC	Common	Douglas G Fixter	Sept/81	400		11900
GUARDIAN CAPITAL GROUP LIMITED	Common	Guardian Captial Group Limited			2300	
			Mar/81			
			Aug/81	100		100
GULF & WESTERN INDUSTRIES INC	Common	William M Flatley	--			125
			Aug/81	1	77	77
HANSON MINERAL EXPLORATION LTD	Common	John H Duncan	Jul/81	M	286743	265164
			Sept/81	V	2500	833
			Sept/81	V		

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
HAYES-DANA INC	Common	George G Hough	S Aug/81	300		1679
		Mabel I Moss	S Aug/81	40		1758
HERITAGE GROUP INC THE	Class A	Henry G Beben	DS Aug/81 X	200		
		Wife	Aug/81 --		200	2000
						400
HIGHFIELD PROPERTY INVESTMENTS LTD	Common A	Robert G Elliott				
		Amended Highfield Corporation Ltd	May/81 1	15864		
			Jun/81 1	129284		
			Jun/81 1		975	2919296
		Bobco Investments Ltd	May/81 1	6000		
			Jun/81 1	18400		162100
		Georgia Place Ltd	Jun/81 1	1916209		1916209
		H B (BC) Ltd	--		111111	---
		RRSP	Jun/81 1		14819	---
		Rockywood International Ltd	--			3271
HILLSBOROUGH EXPLORATION LIMITED	Common	George W Armstrong	S			
		Anglo Estates Limited	I R	1		323
HUDSON BAY MINING AND SMELTING CO LIMITED	Common	Allan E Dobson	DI Aug/81	1	3	33
HUDSON BAY OIL AND GAS COMPANY LIMITED	Series A Pref Common	Alfred R Travers	S Aug/80 X	1600		3200
		Profit Sharing Plan	Aug/81 1	15		2477

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
HUDSON BAY OIL AND GAS COMPANY LIMITED (continued)	Series A Pref Common	William E Selby Profit Sharing Plan	S Aug/81 X Aug/81 1	1600 14		3100 6018
	Series A Pref	Gerald J Maier	DS Aug/81 X	9500		17500
	Common	Kenneth Lieber	D I R			---
		James L Gaffney Profit Sharing Plan	Aug/81	14		3754
		Thomas D Doyle Profit Sharing Plan	DI Aug/81 1 Aug/81 X	15 2300		1461 4600
	Series A Pref				1353	
	Common	Patrick H Wesley Profit Sharing Plan	DI Aug/81 1	13		573
	Series A Pref Common	Ronald Sedgewick Profit Sharing Plan	S Aug/81 X Aug/81 1	4600		8200 ---
	Preferred	Iac Limited	Aug/81 Aug/81 R	5000	5000	---
	Common	James R Hewell Jr	D Mar/81		1200	---
IAC LIMITED						
INDAL LIMITED						
INTERNATIONAL BUSINESS MACHINES CORPORATION	Common	Harold Brown Irrevocable Trust	D I R Aug/81 1	100		400 100

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
INTERNORTH INC	Common	William A Henry	Aug/81	132		132
		Trusteed Investment Plan	--	1		376
		Stock Ownership Plan	--	1		100
ISLAND TELEPHONE COMPANY LIMITED THE	Common	Walter C Auld	Aug/81	35		1419
		Donald R Livingstone	Aug/81		400	1213
		H R MacFarlane	Aug/81	200		600
JOFFRE RESOURCES LTD	Common	Robert G Nogue	Sept/81	1266		16
		RRSP	Sept/81		1250	100
		Robert G Nogue	Sept/81	100		---
			Jul/81		900	
JOHNSON & JOHNSON	Common	John C Walcott	Apr/81	6040		9060
		Amended Wife	Apr/81	2010		3015
		Son	Aug/81	450		450
LA VERENDRYE MANAGEMENT CORPORATION	Class A Common	Gillies Plante	Aug/81	25		1759
		Stock Option Plan	--	1		1500
	Common	Dominique Boutin	Aug/81	25		58696
		Stock Option Plan	--	1		10806
	Class A Common	Fernand Doyon	Aug/81	25		16416
		Les placements	Sept/81	100		
		Fernand Doyon Inc	--			21200
		Wife	--			2400

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
LA VERNEDRYE MANAGEMENT CORPORATION (continued)		Marc Lavigne Stock Option Plan	DS Aug/81 -- 1	25		38250 10806
		Yvan Dessureault	DS Aug/81	25		916
LACANA MINING CORPORATION	Common	Westmin Resources Limited	B Aug/81 Aug/81	7600 3000		2365109 7300
Warrants						
LASSITER KUMA OILS LTD	Common	James N Tanner Investment Club	DS Aug/81 1	2750		2750
LENNIE RESOURCES LIMITED	Common	Irving R Picard* Bluebell Enterprises Ltd	DS Sept/81 -- 1	1100		23856 10000
LOCHIEL EXPLORATION LTD	Preferred	William J Major	D Jul/81	300		1998
MACLEAN HUNTER LIMITED	Class X	John B Gage Anniversary Share Program	SSI Aug/81 -- 1	3000		16000 558
MACMILLAN BLOEDEL LIMITED	Common	John P Fisher	D I R			500
MAGNETICS INTERNATIONAL LTD	Common	Gerald M Curtis Essay Enterprises Ltd	DS Aug/81 -- 1	740		136860 150000
		Nathan E Goodman RRSP Other Indirect	DS Aug/81 -- 1 -- 1	740		4661 27500 256000
MAPLEX MANAGEMENT & HOLDINGS LTD	Class A Class B	John D McNie	D Sept/81 Sept/81		531 531	27718 27718

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
MARK'S WORK WEARHOUSE LTD	Common	Bruce R Libin	D I R			88471
		MXN Holdings Ltd	I R	1		20908
		Karol Jan Fodor	DS I R			16762
		Ronald T Hall	DS			
		233501 Alberta Ltd	I R	1		626680
		Morley A Blumes	DS			
		Moe Blumes				
		Enterprises Ltd	I R	1		3794
		401515 Ontario Ltd	I R	1		137901
		Stephen J Wright	DS I R			11338
MARKS & SPENCER CANADA INC	Class A	Pierre E Daoust	D I R	1		34853
		98881 Canada Ltee	I R	1		
		Marcus W Blumes	DSB I R	1		
		23347 Alberta Ltd	I R	1		376309
			I R	1		876998
		Sir Derek G Rayner	DS Aug/81	1118		1569
		Darrel A Hayes*	D --			15000
		Stock Purchase Plan	Aug/81	1	19410	---
		John L Gaironer	D Aug/81	10000		10008
		Security Trading Limited	--	1		1332923
MINERAL RESOURCES INTERNATIONAL LTD	Common					
MOBIL CORPORATION	Common	Samuel C Johnson	D I R			1000
MONCRIEFF URANIUM MINES LIMITED	Common	Rocco A Schiralli	B I R			482712

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
MUNICIPAL SAVINGS & LOAN CORPORATION THE	First Preference	Maxwell Rotstein Municipal Bankers Corporation (1931) Limited				
			May/81	1		
			May/81	300	400	1254
			Jun/81		800	300
			Jul/81		300	---
	Common	Municipal Bankers Corporation (1931) Limited	May/81	F	4	1254
			May/81	F1		
			Jul/81	1	5014	
			Aug/81	1	2500	
				500		932474

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
NASHUA CORPORATION	Common	Guy W Nichols	D Jul/81	700		2000
NATIONAL PETROLEUM CORPORATION LIMITED	Common	Gordon C Ennis	D I R			100
NEARCTIC RESOURCES INC	Common	John A Hamilton	DB Aug/81	302301		1002302
NICKEL OFFSETS LIMITED	Common	Robert L Moxham	D I R			1
NORANDA MINES LIMITED	Common	Alfred Powis	DS Mar/81 Jun/81 Aug/81 Aug/81	874 749	10000 10000	50554
NORTH WEST TRUST COMPANY	Preferred	Donald M Lyons RRSP	- Aug/81	1 25		200 55
NORTHGATE EXPLORATION LIMITED	Common	Robert E Fasken	D I R			10000
NUMAC OIL & GAS LTD	Common	Ralph A Bard, Jr Ausnoram Holdings Ltd Other Indirect	D Aug/81 - -		6900	73275 3000 30300
OKANAGAN HELICOPTERS LTD	Common	David A Graham F R Graham Estate Trust	D Jul/81 Jul/81		300 1000	1700 ---
PACIFIC COPPER MINES LTD	Common	Pacific Copper Mines Ltd	Aug/81	54300		54300
PARAGON EXPLORATIONS LIMITED	Common	William L Young	D Aug/81	12000		20000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
PETROCO OF TEXAS, INC	Common	Rick L Scroggins Threshold Development Company	S I R			124
			I R	1		22870
		Ken L Keenum Custodian	S I R I R	1		74000 1000
		Ernest Brisbane	SI 1981 1981	80	49	55
PLACER DEVELOPMENT LIMITED	Common					
		John A Butterfield Savings Plan	S Aug/81 Aug/81	8000 71		18800 2452
		James L McPherson	S Aug/81	10000		23200
PRECAMBRIAN SHIELD RESOURCES LIMITED	Common	Walter E Clarke Wife	D - Aug/81	400		54200 37300
		James G Gilhooly	DISI Aug/81		67	1129
PRINCIPAL VENTURE FUND LTD	Mutual Fund Shares	Adeline N Smith	DDI Aug/81	75		75
		Thomas J Martin Custodian for Daughter	S - Aug/81		15	204 ---
PUBLIC SERVICE ELECTRIC AND GAS COMPANY	Common	Thomas E Gillett	S I R			---
		Robin J Busby	DI I R			450
RAM PETROLEUMS LIMITED	Common	Robert F Butlin Nominee	D I R I R	1		29038 12000
		Peter H Courtney	D Jul/81	2000		3500

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
RANK ORGANIZATION LIMITED, THE, (Continued)	Common	Brian C Owers	S Jul/81	1000		1000
		Keith S Russett Nominee	D I R			8516
REALM RESOURCES INC	Common	Neil McKay	DSB Sep/81		87500	162501
REED STENHOUSE COMPANIES LIMITED	Common "A"	Jack M Moon McNalta Investments Ltd	-			15003
			Aug/81 Sep/81	1 1	9200 800	34300
ROCKWELL INTERNATIONAL CORPORATION	Common	W. F Swanson, Jr	S Aug/81		3000	1532
ROYAL BANK OF CANADA, THE	Common	Donald S Wells	S Aug/81	T 17		1017
ROYAL TRUSTCO LIMITED	Class "A"	Jacques Dionne Spouse	Aug/81	1	646	---
SCEPTRE RESOURCES LIMITED	Common	John D Andrew	S Aug/81	1284		1284
		W I M Turner, Jr Wimtone Inc Wimtwo Inc	Aug/81 - -	5000 1 1		8000 6000 2000
SCOTT PAPER LIMITED	7% Convertible 2nd Preferred Common	Stanley G Weber	S Jul/81 Jul/81	4000	4000	---
		Employee Savings Plan	1981	1 374		623
		George L O'Leary	DS Jun/81 Aug/81		500 900	1500 355

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
SCOTTS RESTAURANTS CO LIMITED	Common	Rosemary A Phelan DI	I R			7800
	Class "C"	453295 Ontario Inc	I R			7800
	Common	Sharon Grossman DI	I R			4000
	Class "C"		I R			4000
SEAWAY MULTI-CORP LIMITED	Preferred	Benlevy Corporation Limited	Jun/81	500		
			Jul/81	600		
			Aug/81	300		13375
		Peplevy Corporation Limited	Jun/81	500		
			Jul/81	600		
			Aug/81	300		54477
SENLAC RESOURCES INC	Common	David A Brooks Amended	Aug/81	20000		
			Aug/81 E		120000	131000
SHELL OIL COMPANY	Common	C H Siebenhausen, Jr S	Aug/81		1615	---
SHELTER HYDROCARBONS LIMITED	Common	Daniel C Casey	Jul/81	5599		9500
SILVERTON RESOURCES LTD	Common	Shelter Canadian Holdings Limited	Aug/81	32700		1469040
	Common	Richard F Shaw Anhedral Holdings Ltd	Aug/81	10000		36000
			Aug/81	16500		196500
STRATHCONA RESOURCES LTD	Common	Cancom Equity Fund/ Cancom Management Limited	Aug/81			

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
SULPETRO LIMITED	Common "B" 7% CV Preferred	Simon Chillewich	Aug/81	15400		121993
			Aug/81	300		13400
SUPERIOR OIL COMPANY, THE	Common	Fines F Martin Company Savings and Investment Plan	I R			22875
			I R	1		873
			I R			11835
			I R	1		100
SYSTEMHOUSE LTD	Common "A"	Eugene C Hixson, Jr Son Company Savings and Investment Plan	I R			449
			I R			
			I R			
			I R			
		Douglas W Seaborn Amended	I R			1747
			Dec/80	1747		3494
			Mar/81	340		3834
			Jun/81		3494	340
		91539 Canada Ltd	Jan/81	30000		30000
			Feb/81		2000	28000
			Jun/81		5800	25694
			Aug/81		25000	
			Aug/81	168300		168994
		John R Davies S W H Holding Ltd	-			552
			Aug/81	654075		
		Roderick M Bryden	Aug/81		1262250	654075
			Aug/81			
			Aug/81	130050		6414550
		Ernest V Oliver	Aug/81		4000	8500
			Aug/81		9000	---
		James E Storm	Aug/81			
			Aug/81			

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
SYSTEMHOUSE LTD (Continued)	Common	Systemhouse Ltd	I R Sep/81 E		1262250	1262250 ---
TAMAN RESOURCES LIMITED	Common	Thomas E Gillett	S I R			---
TENNECO INC	Common	Joe B Foster Thrift Plan	- Aug/81 1	78		2273 6071
		James L Ketelsen Thrift Plan	- Aug/81 1	97		19500 5066
		M W Meyer Thrift Plan	- Aug/81	30		4301
		K L Otto Thrift Plan	Aug/81 1	10		221
		C Eugene Anderson Thrift Plan	Aug/81 M Aug/81 M1	4914	4914	10414 ---
		S F Allison Thrift Plan	Aug/81 1	88		11572
		Vincent F Ewell, Jr Thrift Plan	Aug/81 1	29		1732
TEXASGULF INC	Common	Robert P Hedley	S Jul/81 C Jul/81	141	5731	---
THOMSON NEWSPAPERS LIMITED	Class "B"	John A Tory 373076 Ontario Limited	D Sep/81 T	49		5480
		Donald J Phillips	Sep/81 T1	187		20545
TORONTO DOMINION BANK, THE	Common	James F McCallum	D I R	3750		1250 484818
TORONTO SUN PUBLISHING CORPORATION, THE	Common					

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
TORONTO SUN PUBLISHING CORPORATION, THE	Common	John S Grant Q C DS Wife	I R 1			33441
TRANS WESTERN EXPLORATION, INC	Common	T J Waggoner III DSB	Sep/81		50000	1934000
TRIMAC LIMITED CORP	Common	Marvin L Ellis S	I R			600
TRINITY RESOURCES LIMITED	Common	G I Rosenfeld DI Lourose Holdings Limited	Aug/81 1		1000	10000
		Seymour Schulich DS Nevada Capital Corporation Ltd	Sep/81 1	20000		100166
TRIZEC CORPORATION LTD	Common	Kevin E Benson S Montreal Trust Company	Aug/81 1	15000		28200
UAP INC	Class "A"	Luc Prefontaine B	Jul/81		400	2600
ULTRAMAR COMPANY LIMITED	Common	Max Bayer SI	Sep/81		10000	532
UNICAN SECURITY SYSTEMS LTD	Common	Kenneth Shulman S	Aug/81		3000	6880
UNION GAS LIMITED	Common "A"	Paul F Little S	Sep/81	750		15750
		John Webel S Amended Company Stock Savings and Investment	-			8384
			1981 1	86		807
UNITED CANADIAN SHARES LIMITED	Common	George M Black D Amended Estate of J E Black	- 1			12

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
UNITED CANADIAN SHARES LIMITED (Continued)	Common	J E Black Investments	-	1		3818
		The Warspite Corporation	-	1		266300
		Crecands Limited	-	1		1909
		Conrad S Riley, Jr DS Amended	-			500
		Sambert Investments Ltd	-	1		480104
		Conrad S Riley, Jr Amended	-			852
		John D Riley D Dominion Bronze and Iron Limited	-	1		80176
		Conrad M Black Estate of J E Black	I R	1		3818
		J E Black Investments Ltd	I R	1		109765
		The Warspite Corporation	I R	1		266300
		Crecands Ltd	I R	1		1909
VEGA GOLD EXPLORATIONS INC	Common	Irwin A Wallace D	I R			1
VERSATILE CORPORATION	Common "A"	Heathcliff Greenhouses Ltd	Aug/81	5000		29413
		Ronald L Cliff D	Aug/81		35000	59182
VICTORIA AND GREY TRUSTCO LIMITED	Common	William H Somerville D	Aug/81	120		10046685
WAJAX LIMITED	Common	George A A Hunter SI	Sep/81		3000	100

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
WAJAX LIMITD (Continued)	Common "A"	Ian B Campbell Chorcam Management 101014 Canada Inc	Aug/81	1300		169100
			Aug/81	1000		11800
WALL & REDEKOP CORPORATION	Common	Peter Redekop	Aug/81	3100		1531340
WASABI RESOURCES LTD	Common	John N Harbinson Wife	I R			150000
			I R			50000
WESTERN BROADCASTING CORPORATION LTD	Common	North Continent Investments Ltd Los Iros Holdings Ltd North Continent Holdings Ltd 26234 Holdings Ltd 80142 Holdings Ltd 16469 Holdings Ltd	-			876156
			-			110000
			-			67202
			Aug/81	8259		743930
			Aug/81	4846		436505
			Aug/81	4846		436505
WESTMILLS CARPETS LIMITED	Common	Joseph N Fry	I R			2450
	Preferred		I R			160
	13% Debentures		I R			\$690
YVANEX DEVELOPMENTS LTD	Common	John L Gairdner	Aug/81	2000		193200

NOTICES OF EXEMPT FINANCINGS

REPORTS OF TRADES SUBMITTED ON FORM 20 (AND ITS PREDECESSOR)
UNDER THE SECURITIES ACT 1978

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Sep. 9, 1981	Bernard Smith	Diversitax - units	\$ 2,500.00	1 unit
Sep. 9, 1981	Dr. Gilbert Heseltine	"	2,500.00	1 "
Sep. 9, 1981	Evan M. White	"	2,500.00	1 "
Sep. 9, 1981	Dr. Charles Bill	"	2,500.00	2 units
Sep. 9, 1981	Dr. Barrie Guest	"	2,500.00	1 unit
Sep. 9, 1981	David C. Crawford	"	2,500.00	1 "
Sep. 9, 1981	Michael Keefe	"	2,500.00	1 "
Sep. 9, 1981	Barbara Spencer	"	2,500.00	1 "
Sep. 9, 1981	Albert Resnick	"	2,500.00	1 "
Sep. 9, 1981	Jack F. Thompson	"	2,500.00	1 "
Sep. 9, 1981	Clifford A. Pipe	"	2,500.00	1 "
Sep. 9, 1981	Renee Frydman	"	2,500.00	1 "
Sep. 9, 1981	John Donoval	"	2,500.00	1 "
Sep. 9, 1981	Dr. Sam Birenbaum	"	2,500.00	4 units
Sep. 15, 1981		CTG., Inc. - common shares	16.00	125,000 shrs
Sep. 11, 1981*	The Canada Life Assurance Company	Bramalea Ltd. - \$5,000,000 Note due March 11, 1985	5,000,000.00	\$ 5,000,000.00
June 30, 1981		European & Pacific Investment Trust - units	127.78	56,345.084 units
Aug. 27, 1981	The Canada Trust Company	CCB Realty Investors - trust units	10.00	15,000 units

* Report improperly filed

Continued

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Aug. 27, 1981	The Canada Trust Company	CCB Realty Investors trust units	\$ 10.00	10,000 units
Aug. 27, 1981	The Trustees of Canada Packers Retirement Plan Trust (1959) and (1969)	"	10.00	12,500 "
Aug. 27, 1981	Canada Permanent Trust Co.	"	10.00	62,500 "
Aug. 27, 1981	Co-operators Insurance Association	"	10.00	25,000 "
Aug. 27, 1981	Canadian Co-operative Credit Society	"	10.00	25,000 "
Aug. 27, 1981	Shell Canada Pension Trust	"	10.00	50,000 "
Aug. 27, 1981	Bell Northern Research Pension Trust Fund	"	10.00	25,000 "
Aug. 27, 1981	Northern Telcom Pension Trust Fund	"	10.00	75,000 "
Aug. 27, 1981	Tronbar & Co.	"	10.00	10,000 "
Aug. 26, 1981	Anthony Lo Presti	dy-4 Systems Inc. - common "A" (plus option attached to shares on a 1 for 1 basis at \$1.00 exercisable on or before July 24, 1983)	1.00	4,995 shrs
Aug. 26, 1981	Emanuela Lo Presti	"	1.00	4,995 "
Aug. 26, 1981	Joseph Lo Presti	"	1.00	4,995 "
Aug. 26, 1981	Alice Palcrmo	"	1.00	4,995 "
Aug. 26, 1981	Stanley Dool	"	1.00	1,350 "

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Aug. 26, 1981	William Richards	dy-4 Systems Inc. - common "A" (plus option attached to shares on a 1 for 1 basis at \$1.00 exercisable on or before July 24, 1983)	1.00	7,965 shrs
Aug. 26, 1981	David Lawrence	"	1.00	6,750
Aug. 26, 1981	Bruce E. Johnson	"	1.00	6,750
Aug. 26, 1981	Jim Minnes	"	1.00	6,750
Aug. 26, 1981	Marjorie Sanderson	"	1.00	1,350
Aug. 26, 1981	R. Knowles	"	1.00	1,350
Aug. 26, 1981	Anthony Jamroz	"	1.00	5,000
Sep. 17, 1981	Shell Canada Pension Trust	Kesmark Ltd. - 14% mortgage bonds 1981 series due Sept. 17, 2011	2,000,000.00	\$ 2,000,000.00
Sep. 17, 1981	National Trust Co. #88720B	"	800,000.00	800,000.00
Sep. 17, 1981	Imperial Trustees Treasurer's Dept. (Imperial Oil Ltd.)	"	2,000,000.00	2,000,000.00
Sep. 17, 1981	Monray & Co.	"	3,000,000.00	3,000,000.00
Sep. 17, 1981	Ontario Hydro in trust for the Pension Fund	"	3,500,000.00	3,500,000.00
Sep. 17, 1981	Investors Group Trust Co. Ltd.	"	1,292,000.00	1,292,000.00
Sep. 17, 1981	The Royal Trust Corp.-Trustee Dupont of Canada, Inc. Pension Trust Fund	"	2,500,000.00	2,500,000.00

Continued

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Sep. 17, 1981	City of Ottawa Superannuation Fund	Kesmark Ltd. - 14% mortgage bonds 1981 series due Sept. 17, 2011	\$ 1,292,000.00	\$ 1,292,000.00
Sep. 17, 1981	Canadian General Electric Pension Trust	"	2,000,000.00	2,000,000.00
Sep. 17, 1981	National Trust Co. Ltd. #38540	"	3,000,000.00	3,000,000.00
Sep. 11, 1981	Donald J. Allen	Masters Green Estates Ltd. Partnership - Partnership units	51,500.00	1 unit
Sep. 11, 1981	Chris Stefanovich	"	51,500.00	1 "
Sep. 11, 1981	Dr. William Ainslie	"	51,500.00	1 "
Sep. 11, 1981	Cynthia White	"	51,500.00	1 "
Sep. 11, 1981	Dr. Aiy-Wa Chiu	"	51,500.00	1 "
Sep. 11, 1981	John Ditchhoff	"	51,500.00	1 "
Sep. 11, 1981	Dr. Westel Cutbush	"	51,500.00	2 units
Sep. 11, 1981	Dr. Peter Shum	"	51,500.00	2 "
Sep. 11, 1981	Dr. F.M. DeSouza	"	51,500.00	1 unit
Sep. 11, 1981	Carlton Harnarine	"	51,500.00	2 units
Sep. 11, 1981	John Hyatt	"	51,500.00	1 unit
Sep. 11, 1981	Dick Seeley	"	51,500.00	1 "
Sep. 11, 1981	Joseph W. Fyfe	"	51,500.00	6 units
Sep. 11, 1981	Dr. Joseph Uleckas	"	51,500.00	1 unit
Sep. 11, 1981	David Simmonds	"	51,500.00	1 "
Sep. 11, 1981	Dr. Anthony Ng.	"	51,500.00	1 "
Sep. 11, 1981	Peter Rees	"	51,500.00	2 units

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Sep. 11, 1981	Ron Haken	Masters Green Estates \$ Ltd. Partnership - Partnership units	51,500.00	1 unit
Sep. 11, 1981	Robert Sinyantoo	"	51,500.00	1 "
Sep. 11, 1981	Maurice Farrell	"	51,500.00	1 "
Sep. 11, 1981	Hugh Flaherty	"	51,500.00	1 "
Sep. 11, 1981	John W. Sturtridge	"	51,500.00	1 "
Sep. 11, 1981	Robert Martin Shine	"	51,500.00	1 "
Sep. 11, 1981	Gary Stoir	"	51,500.00	2 units
Sep. 11, 1981	A. David Breward	"	51,500.00	1 unit
Sep. 11, 1981	Dr. Frank Foster	"	51,500.00	1 "
Sep. 11, 1981	Dr. Joseph Wilcock	"	51,500.00	1 "
Sep. 11, 1981	Donald Carom	"	51,500.00	1 "
Sep. 11, 1981	Ray Pittac	"	51,500.00	1 "
Sep. 11, 1981	Marie Arstikaitis	"	51,500.00	1 "
Sep. 11, 1981	Walter Sorokolit	"	51,500.00	3 units
Sep. 11, 1981	Dr. Robert Nadel	"	51,500.00	2 "
Sep. 11, 1981	Sudesh Rayner	"	51,500.00	1 unit
Sep. 11, 1981	David Treissman	"	51,500.00	1 "
Sep. 11, 1981	Robert Hayward	"	51,500.00	1 "
Sep. 11, 1981	Brian Bloomfield	"	51,500.00	1 "
Sep. 11, 1981	Yasar Akyurekli	"	51,500.00	1 "
Sep. 11, 1981	Dr. Shigeru Sugiyama	"	51,500.00	2 units
Sep. 11, 1981	Michael Joseph Sullivan	"	51,500.00	1 unit
Sep. 11, 1981	Joel Sadavoy	"	51,500.00	1 "
Sep. 11, 1981	Dr. Terrill Theman	"	51,500.00	2 units
Sep. 11, 1981	Dr. Donald A. Ferguson	"	51,500.00	3 "

Continued

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Sep. 18, 1981		Kinross Mortgage Corp. floating rate cumulative redeemable pfd. shares - series "A"	\$ 25.00	1,200,000 shrs
Sep. 16, 1981	Udo Frey	Magna International Inc. - class "A" common shares	10.92	46,996 "
July 31, 1981*	395879 Ontario Ltd.	Joffre Oil & Gas Partnership #7 - units	25,000.00	4 units
July 31, 1981*	Michael L. Galper	"	25,000.00	16 "
July 31, 1981*	Barry Sutton	"	25,000.00	4 "
July 31, 1981*	Cynthia McNabb	"	25,000.00	6 "
July 31, 1981*	David Van Leeuwen	"	25,000.00	4 "
July 31, 1981*	Martin Heessels	"	25,000.00	12 "
July 31, 1981*	Barry Morrison	"	25,000.00	4 "
July 31, 1981*	Richard Sutton	"	25,000.00	6 "
July 31, 1981*	H. Bos	"	25,000.00	20 "
July 31, 1981*	Magunda Ltd.	"	25,000.00	4 "
July 31, 1981*	E. Byrne	"	25,000.00	4 "
July 31, 1981*	Michael J. Quigley	"	25,000.00	4 "
Sep. 9, 1981	Gerald E. Pearson	Shadowfax Resources Ltd. common shares	1.00	265,000 shrs
Sep. 9, 1981	H & H Investment Club	"	1.00	20,000 "
Sep. 9, 1981	Stephen S.C.Cheng	"	1.00	10,000 "
Sep. 9, 1981	Galaxy Management Inc.	"	1.00	5,000 "

*Report improperly filed

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Sep. 9, 1981	Rocco Companaro	Shadowfax Resources Ltd. common shares	\$ 1.00	5,400 shrs
Sep. 9, 1981	Anthony Reale	"	1.00	10,000
Sep. 9, 1981	Leonard D. Latchman	"	1.00	8,800
Sep. 9, 1981	Alan Rosenberg	"	1.00	11,300
Sep. 9, 1981	Dr. Bernard Fruitman	"	1.00	13,000
Sep. 9, 1981	Elizabeth Galezowski	"	1.00	5,000
Sep. 9, 1981	Milton Snider	"	1.00	5,000
Sep. 9, 1981	Larry Melnick	"	1.00	5,000
Sep. 9, 1981	Charles Chutskoff	"	1.00	17,000
Sep. 9, 1981	Angeline Ruskin	"	1.00	3,000
Sep. 9, 1981	Alex Kennedy in trust	"	1.00	15,000
Sep. 9, 1981	Alex Kennedy & Associates	"	1.00	10,000
Sep. 9, 1981	Harold J. Mandel	"	1.00	5,000
Sep. 9, 1981	Frumi Tenser	"	1.00	25,000
Sep. 9, 1981	Daniel Kowalsky	"	1.00	20,000
Sep. 9, 1981	A. L. Partee	"	1.00	80,000
Sep. 11, 1981	Yorkton Securities Inc.	Shadowfax Resources Ltd. option to purchase 100,000 common shares by February 28, 1982	1.40	100,000
Sep. 4, 1981	North American Ventures Fund	Wynchester Systems & Electronics Inc. - common shares 15% conv. debenture due September 4, 1984	1,307.00	65
			75,000.00	\$ 75,000.00
Sep. 15, 1981	The St. Catharines Standard Limited	Standard Broad- casting Corp. - common shares	10.27	175,281 shrs

FORM 21 (AND ITS PREDECESSOR) - RESALE OF SECURITIES

<u>Date of Resale</u>	<u>Date of Original Purchase</u>	<u>Seller</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Aug. 18, 1981	Feb. 10, 1981	Dofasco Employees' Savings & Profit Sharing Fund	Vulcan Industrial Packaging Ltd. - common shares	\$ 10.00	4,100 shrs
Aug. 19, 1981	Feb. 10, 1981	"	"	10.12	7,300 "
Aug. 20, 1981	Feb. 10, 1981	"	"	10.00	4,100 "
Aug. 21, 1981	Feb. 10, 1981	"	"	10.06	5,000 "
Aug. 24, 1981	Feb. 10, 1981	"	"	10.06	200 "
Aug. 10, 1981	Feb. 10, 1981	Dofasco Supplementary Retirement Income Plan	"	10.50	20,500 "
Aug. 13, 1981	Feb. 10, 1981	"	"	10.43	3,500 "
Aug. 12, 1981	Feb. 10, 1981	"	"	10.43	5,000 "
<u>NOTICE OF INTENTION TO DISTRIBUTE SECURITIES PURSUANT TO SUBSECTION 7 OF SECTION 71</u>					

<u>Seller</u>	<u>Security</u>	<u>Amount</u>
James M. Proudfoot Limited	Pronto Explorations Limited - common shares	50,000 shrs

CONTINUOUS DISCLOSURE FILINGS

MATERIAL RECEIVED PURSUANT TO THE ACT & REGULATIONS

A ANNUAL FINANCIAL STATEMENTS

B INFORMATION CIRCULAR (FORM 30) OR REPORT (FORM 28)

C INTERIM FINANCIAL STATEMENTS

D TAKE-OVER, ISSUER BIDS AND RELATED MATERIAL

E OTHER REPORTS

F REPORT OF MATERIAL CHANGE (FORM 27)

ACADEMY EXPLORATIONS LIMITED	A B C
ALBANY OIL & GAS LIMITED	E
ALCAN ALUMINUM LIMITED	E
AMERACRUDE INTERNATIONAL INC.	C E
AMERICAN EAGLE PETROLEUMS LIMITED	C
AMERICAN QUASAR PETROLEUM CO.	E
AMPAL AMERICAN ISRAEL CORPORATION	C
ASAMERA INC.	C
ASBESTOS CORPORATION LIMITED	C
ASCOTT ENERGY CORPORATION OF CANADA LIMITED	B
ATCO LTD.	E
ATLAS YELLOWKNIFE RESOURCES LIMITED	C
AUGMITTO EXPLORATIONS LIMITED	C E
AUTOMOTIVE HARDWARE LIMITED	C
B.B.C. - R.I. SERVICES LTD.	C
BANK OF BRITISH COLUMBIA	C E
BEAUFORT ENERGY LIMITED	E
BEAUFORT EXPLORATION LIMITED	E
BIGHART OIL AND GAS LTD.	C
BIRON BAY GOLD MINES LIMITED	E
BLACK PHOTO CORPORATION LIMITED	E
BLAKE RESOURCES LTD.	E
BOLTON TREMBLAY INCOME FUND	C
BOLTON TREMBLAY INTERNATIONAL FUND	C
BOMBARDIER INC.	E
BOW VALLEY RESOURCE SERVICES LTD.	C
BRASCAN LIMITED	E
BREAD-MAN INTERNATIONAL INC.	C E
BRITISH COLUMBIA FOREST PRODUCTS LIMITED	E
BRITISH COLUMBIA RESOURCES INVESTMENT CORPORATION	E
BROWN-McDADE MINES LIMITED	A B E
C M E RESOURCES INC.	A B C
CADILLAC FAIRVIEW CORPORATION LIMITED, THE	E
CALVERT GAS & OILS LIMITED	C
CALVERT-DALE ESTATES LIMITED	E
CAMEL OIL & GAS LTD.	C
CAMPEAU CORPORATION	E
CANADA CUMULATIVE FUND	C
CANADA PERMANENT MORTGAGE CORPORATION	E

CANADIAN DOMINION LEASING CORPORATION LIMITED	C
CANADIAN FOREMOST LTD.	E
CANADIAN IMPERIAL BANK OF COMMERCE	C E
CANADIAN PACIFIC ENTERPRISES LIMITED	E
CANADIAN PACIFIC LIMITED	E
CANDY INVESTMENTS LIMITED	A B
CANRAY RESOURCES LIMITED	A B C
CANRON INC.	E
CANUSA ENERGY LTD.	E
CARTIER RESOURCES INC.	E
CELINA RESOURCES INC.	C
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NORBASKA MINES LIMITED	B
NORDAIR LTD.	C
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NORTH AMERICAN COMBUSTION TECHNOLOGY CORPORATION	E
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NOVA, AN ALBERTA CORPORATION	E
NU-WEST GROUP LIMITED	E
NUINSCO RESOURCES LTD.	E
OFF YOUR ROCKS	E
OMEGA HYDROCARBONS LTD.	E
PACIFIC COPPER MINES LTD.	E

PRICE COMPANY LIMITED, THE	E
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MASSIVE ENERGY LIMITED	B
MISSION FINANCIAL CORPORATION	C
N W GROWTH INVESTMENTS	C
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NEW PASCALIS MINES LIMITED	E
SPRINGWEST-PAGE PETROLEUMS N.L.	E
TANDY CORPORATION	E

NEW ISSUE AND SECONDARY FINANCING

CANADIAN UTILITIES LIMITED

Receipt issued September 22, 1981 for a prospectus dated September 21, 1981 qualifying for sale in Ontario 3,000,000 cumulative redeemable second preferred shares, Series F, at a price of \$25 per share (to yield 14% from annual dividends of \$3.50 per share) to net the Company \$75,000,000 before deducting expenses of issue.

UNDERWRITERS: Greenshields Incorporated
Pitfield Mackay Ross Limited
Nesbitt Thomson Securities Limited
Wood Gundy Limited

COSEKA 81-82 OIL AND GAS PARTNERSHIP

Receipt issued September 17, 1981 for a prospectus dated September 14, 1981 offering 3,200 units in Coseka 81-82 Oil and Gas Partnership at a price of \$5,000 per unit.

AGENTS: Nesbitt Thomson Securities Limited
Greenshields Incorporated
Pitfield Mackay Ross Limited
Houston Willoughby Limited

PROMOTER: Coseka Resources Limited

KEEZIC RESOURCES LIMITED

Final receipt issued September 18, 1981 for prospectus dated September 16, 1981 qualifying for sale in Ontario 1,000,000 common shares at a price of \$0.30 per share to net the Company \$0.25 per share. There will also be a secondary offering of 250,000 shares none of the proceeds of which will accrue to the Company.

PROMOTERS: Sherman Tough (Tough)
Craig Arnott

UNDERWRITERS: Cadre Corporation
Tom & Barnt Limited

MISSION RIVER PETROLEUM LTD.

Final receipt issued September 21, 1981 for a prospectus dated September 3, 1981 qualifying for sale in Ontario 300,000 common shares at a price of \$1.00 per share, to net the Company, after

underwriter's discount but before expenses of issue, \$150,000. There will also be a secondary offering of 145,000 shares, none of the proceeds of which will accrue to the Company.

PROMOTER: Cadre Corporation

UNDERWRITER: A. C. MacPherson & Co. Limited

TANGLEWOOD PETROLEUM CORPORATION

Final receipt issued September 18, 1981 for a prospectus dated August 24, 1981, qualifying for sale in Ontario 1,500,000 common shares (without par value) of the Company at a price of 43¢ per share, to net the Company \$600,000 before expenses of issue. The shares will be distributed on a best-efforts basis.

AGENT: Yorkton Securities Inc.

UNIVERSITY SCHOLARSHIPS OF CANADA

Receipt issued September 17, 1981 for a prospectus dated August 14, 1981 offering Scholarship Agreements for sale in Ontario.

AGENT: Scholarship Consultants of North
 America Ltd.

RIGHTS OFFERINGS ACCEPTED

CANADA-ISRAEL DEVELOPMENT LTD.

Material acceptable to the Commission has been received in respect of a proposed rights offering whereby holders of record on September 8, 1981 of its outstanding common shares without nominal or par value are entitled to subscribe for one additional common share for each ten common shares held at U.S. \$1.50 per additional common share.

SILVER CHIEF MINERALS LTD.

Material acceptable to the Commission has been received in respect of a proposed rights offering by Silver Chief Minerals Ltd., whereby holders of record on September 21, 1981 of its outstanding common shares are entitled to subscribe for one additional common share for each seven common shares held at \$2.00 per additional common share.

AMENDMENT ACCEPTED

GOWEST GOLD RESOURCES LTD.

Material relating to an amendment dated August 19, 1981, to a prospectus dated March 4, 1981, has been accepted by the Commission.

The amendment qualifies, for sale in Ontario, an additional 230,000 shares of the Company at a price of \$1.30 per share, to net the Company, after underwriter's discount but before expenses of issue, an additional \$149,500.

There will also be an additional secondary offering of 66,000 shares, none of the proceeds of which will accrue to the Company.

UNDERWRITER: E. A. Manning Limited

PRELIMINARY PROSPECTUSES WITHDRAWN

CANE CONSOLIDATED EXPLORATIONS LIMITED

The preliminary prospectus dated May 29, 1981 filed by Cane Consolidated Explorations Limited has been withdrawn at the request of the Company.

THE CONSUMERS' GAS COMPANY

A preliminary prospectus, dated July 17, 1981 has been withdrawn at the request of the Company.

PRELIMINARY PROSPECTUSES RECEIVED

September 18, 1981

Palm Springs Square Limited
Partnership

National Issue - Saskatchewan

Offering 300 units at a price of \$25,000 (U.S.) per unit.

Offered through a registered dealer in Ontario.

September 21, 1981

Bay Terrace Partnership

Offering 434 limited partnership units at a price of \$5,000 per unit.

AGENT: Taxplan Investments Limited

September 23, 1981

Paragon 1

National Issue - Alberta

Offering 588 units in each of three limited partnerships at a price of \$12,000 per unit.

AGENT: Wood Gundy Limited

Shelter Hydrocarbons 81-11

National Issue - Alberta

Offering 2,000 limited partnership units of Shelter Hydrocarbons 81-11 and warrants to purchase 1,000,000 common shares of Shelter Hydrocarbons Limited.

Subscription price: \$5,000 for one unit and 500 warrants

AGENT: Richardson Securities of Canada

Sun Creek

National Issue - Alberta

Offering 88 units at the following prices:

Per A unit	-	\$30,200
Per B unit	-	\$30,800
Per C unit	-	\$31,200
Per D unit	-	\$31,500
Per E unit	-	\$33,500
Per F unit	-	\$34,600
Per G unit	-	\$35,400
Per H unit	-	\$37,100

AGENT: Imperial Securities Ltd.

AMENDMENTS RECEIVED

September 18, 1981

Camreco Inc.

Amendment #1 dated September 18, 1981 to statement of material facts dated September 8, 1981.

25/September/81

42K

September 22, 1981

Flying Cross Petroleum Corp.

Amendment #1 dated September 21, 1981 to prospectus dated June 9, 1981.

OTHER INFORMATION

TRANSFER WITHIN ESCROW

Eaglet Mines Limited

<u>From</u>	<u>To</u>	<u>No. of Shares</u>
Copper Limited	106816 Canada Inc.	30,250
" "	Chail-Li Investments Corporation	30,250
" "	Lanark Wood Products Limited	30,250
		<u>90,750</u>

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Ontario
Securities
Commission

OSC Bulletin

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NOTICES

GUIDE TO PROSPECTUS EXEMPTIONS

The following is a guide to prospectus exemptions which has been prepared by members of the Commission staff. Please advise the Secretary of the Commission of any errors noticed in the tables or the accompanying text. Comments and suggestions are welcome. Please note that the guide does not take into account the prepared amendments to the Securities Act.

Exemptions from Prospectus Requirements and the First Trades in Securities Acquired under the Exemptions

The staff of the Commission has prepared the three tables which accompany this paper in an attempt to provide a guide to the provisions relating to prospectus exemptions. The purpose of these tables is to enable the user to determine readily the factors to be considered in using an exemption and making the first trade in securities acquired pursuant to that exemption. These tables are merely a guide and the exact terms of the legislation should always be consulted.

Table 1 lists the exemptions from the prospectus requirements contained in subsections 71(1) and 71(2) of the Act and in the Regulation. The first column lists the clause providing the exemption. The second column lists any section of the Regulation which restricts the scope of that exemption. The third column indicates the cases where a report on Form 20 is required (subsection 71(3) of the Act and section 53 of the Regulation). The final column indicates the subsection of the Act governing the first trade in the security acquired under the exemption if it is not a distribution within the meaning of subparagraph 1(1)11(iii) (a "Control Block Sale"). If there is no clause or subsection listed in the final column then the first trade is not a distribution unless it is a Control Block Sale.

Once an exemption from the prospectus requirements has been employed, the next question is often the status of the first trade of the securities so distributed. The fourth column of Table 1 contains four subsections which are not themselves set out in column 1: 71(4), 71(5), 71(6) and 71(7). Subsections 71(4) and 71(5) are not available to exempt the first trade from the prospectus requirements if the trade is a Control Block Sale. In such a case, the seller may effect the trade without

a prospectus through subsection 71(7) of the Act. That subsection must be complied with whenever a Control Block Sale is made without a prospectus, regardless of how the securities were acquired (unless it is made in reliance on an exemption contained in section 72 of the Act).

Subsection 71(6) provides that the first trade in the securities acquired pursuant to the stated exemptions is a distribution unless exempted by subsection 71(1) of the Act.

A trade which could be made without a prospectus in compliance with the provisions of subsections 71(4) or 71(7) can also be made without a prospectus if exempted by subsection 71(1) (see subsection 71(4) and clause 71(7)(a)). A trade which could be made without a prospectus in compliance with the provisions of subsection 71(5) of the Act also can be made without a prospectus if exempted by subsection 71(1) and if disclosure is made in compliance with section 55(2) of the Regulation.

Table 2 provides a comparative listing of the requirements of subsections (4), (5) and (7) of Section 71 of the Act and the references to the relevant provision of the Act or Regulation.

It can be seen from Table 2 that there are certain holding periods required either by subsection 71(4) of the Act for first trades under that subsection or by subsection 18c(2) of the Regulation in certain circumstances for distributions by way of subsection 71(7) of the Act. Although the time of commencement of the holding period is different under the two subsections as set out in Table 2, the relevant length of time is the same. Table 3 lists the relevant holding periods for each type of security as well as the reference to the relevant provision of subsection 71(4) of the Act and of subsection 18c(2) of the Regulation. Note that the provisions of the Insurance Act are those of R.S.O. 1980, c.218. In section 388(1) thereof clause (k) deals with bonds, debentures and other evidences of indebtedness, clause (m) deals with preferred shares and clause (n) deals with fully paid common shares.

Table 1
Exemptions from SS. 52 and 61

UNDERLINED NUMBERS REFER TO PROVISIONS OF THE REGULATION.
OTHER NUMBERS REFER TO PROVISIONS OF THE ACT.

<u>Clause Containing Exemption</u>	<u>Provision of Regulation Imposing Restriction on Exemption</u>	<u>Report on Form 20 Required</u>	<u>Subsection Governing First Trade in Securities</u>
71(1) (a)		x (See 71(3))	71(4)
(b)		x	71(4)
(c)	<u>20(3)(4)</u>	x	71(4)
(d)	<u>20(2), (3), (4)</u>	x	71(4)
(e)			71(7)
(f) (i) and (ii)			71(5)
(f) (iii)			71(5)**
(g)			
(h)			71(5)*
(i)			71(5)
(j)			71(5) or <u>16(a)</u>
(k)			71(5)
(l)		x	71(4)
(m)			71(4)
(n)			71(5)
(o)			71(6) or <u>16(b)</u>
(p)	<u>19, 20(3), (4)</u>	x	71(4) or <u>14(e)</u>
(q)		x	71(4)
(r)			71(6)
(s)			
72(1) (a)	<u>17a, 18(1), (2)</u>		71(5)***
(b)			
(c)			
<u>14(a)</u>			
<u>(b)</u>			
<u>(c)</u>			71(7)*
<u>(d)</u>			
<u>(e)</u>		x	71(4)*
<u>(f)</u>			71(5)*
<u>(g)</u>	<u>20(3), (4)</u>	x	71(4)* or <u>14(e)</u>
<u>(h)</u>			
<u>16(a)</u>			
<u>16(b)</u>			71(7)*

* pursuant to 17

** unless 18a applies in which case 71(4)

*** for securities of a former private company

Table 2

Comparison of Requirements of Subsections (4), (5) and (7) of Section 71

UNDERLINED NUMBERS REFER TO PROVISIONS OF THE REGULATION.
OTHER NUMBERS REFER TO PROVISIONS OF THE ACT.

Subsection	71(4)	71(4)(a)	71(5)	71(7)
The issuer is a reporting issuer	YES	71(4)(a)	YES	71(7)(b)
Period for which issuer has been a reporting issuer	See "Holding periods" below.		12 months	18 months
The issuer is not in default of any requirement of the Act or the Regulation.	YES	71(4)(a)	If the seller is in a special relationship with the issuer (as defined in 75(3)) the seller must have reasonable grounds to believe that the issuer is not in default. 71(5)(a), 17b.	YES
Disclosure required prior to the sale under the subsection.	N/A		disclosure to the Commission has been made of the exempt trade (as per 55(3)) or if in the case of a company that has ceased to be a private company, the issuer has filed a Form 22. 71(5)(b), 55.	Form 23 between 7 and 14 days prior to the first trade; to be renewed at the end of 60 days and thereafter every 28 days. 71(7)(b)(i)
Reporting requirements after trade.	Form 21 within 10 days	91(4)(c), 54.	N/A	Insider trading change report (Form 37) within 3 days. 71(7)(b)(ii), 102, 149.
Holding periods	the securities must have been held for at least that period set out in Table 3 from the date of the initial exempt trade or the date the issuer became a reporting issuer, whichever is later. 71(4)(b) Where the securities were acquired pursuant to 71(1)(f)(iii), initial exempt trade means, the trade referred to in 71(1)(f)(iii). 18a(2)		N/A	the securities must have been held at least 6 months in any case, but where the securities were acquired under an exemption in 71(1)(a), (b), (c), (d), (h), (i), (j), (k), (l), (m), (n), (p), (q) or 14(e), (f), (g), (h), all securities of the class owned must be held for the periods set out in Table 3 after the date on which the last security of the class was acquired. 18c.
No unusual effort is made to prepare the market or to create a demand for the securities and no extraordinary commission or consideration is paid in respect of the trade.	YES	71(4)	YES	YES
Result	Not a distribution unless it is a distribution within the meaning of 1(1)(iii).		Not a distribution unless it is a distribution within the meaning of 1(1)(iii).	Sections 52 and 61 do not apply.

Table 3
Holding Periods

UNDERLINED NUMBERS REFER TO PROVISIONS OF THE REGULATION.
OTHER NUMBERS REFER TO PROVISIONS OF THE ACT.

Type of Security		Do the securities comply with clause (k), (m) or (n) of S. 288(1) of the Insurance Act?	YES	NO
The securities are listed and posted for trading on a stock exchange recognized for this purpose by the Commission.*	The securities are preferred shares not so listed.		6 months <u>71(4) (b) (i)</u> <u>18c(2) (a)</u>	1 year <u>71(4) (b) (iii)</u> <u>18c(2) (c)</u>
			6 months <u>71(4) (b) (ii)</u> <u>18c(2) (b)</u>	18 months <u>71(4) (b) (iv)</u> <u>18c(2) (d)</u>
The securities are bonds debentures or other evidences of indebtedness issued or guaranteed by an issuer.	The issuer has securities listed and posted for trading on a stock exchange recognized for this purpose by the Commission. The issuer does not have securities so listed.		6 months <u>71(4) (b) (ii)</u> <u>18c(2) (b)</u>	1 year <u>71(4) (b) (iii)</u> <u>18c(2) (c)</u>
			6 months <u>71(4) (b) (ii)</u> <u>18c(2) (b)</u>	18 months <u>71(4) (b) (iv)</u> <u>18c(2) (d)</u>
Other securities			18 months <u>71(4) (b) (iv)</u> <u>18c(2) (d)</u>	18 months <u>71(4) (b) (iv)</u> <u>18c(2) (d)</u>
			18 months <u>71(4) (b) (iv)</u> <u>18c(2) (d)</u>	18 months <u>71(4) (b) (iv)</u> <u>18c(2) (d)</u>

* The Commission recognizes The Toronto Stock Exchange for these purposes (O.S.C. Policy Statement 3-42, paragraph (1a) published (1981) 1 OSCB 21E).

IN THE MATTER OF THE SECURITIES ACT,
R.S.O. 1980, C.466

AND

IN THE MATTER OF THE TORONTO STOCK EXCHANGE

AND

IN THE MATTER OF
THE CANADIAN DEPOSITORY FOR SECURITIES LIMITED

NOTICE OF HEARING

5 NOVEMBER 1981

The National Energy Programme requires that a petroleum resource company that is desirous of enjoying the benefits of the Petroleum Incentive Programme be able, periodically, to satisfy the federal Petroleum Monitoring Agency ("PMA") as to the level of the company's Canadian beneficial ownership or "Canadian Ownership Rate". The application of ownership monitoring procedures to a "street certificate" system, wherein delivery of a certificate registered in the name of a brokerage firm constitutes good delivery and a certificate registered in the name of one firm may be delivered in settlement of a transaction between other firms having no relation to the registered holder, would prove very difficult. In order to achieve ease of transfer in the shares of the petroleum resource companies involved, while permitting these issuers to obtain such evidence of Canadian ownership as will assist the issuer in satisfying the PMA, there has been developed an arrangement among The Canadian Depository for Securities Limited ("CDS") and its participating brokerage firms, banks, trust companies and others ("Users") known as the CDS Nominee Facility Service.

The CDS Nominee Facility Service provides for settlement of transfers of "eligible securities" between Users by delivery of special non-negotiable share certificates ("CDS Nominee Certificates"). CDS Nominee Certificates are not registered in the name of the User but are, instead, registered in the name of a nominee of CDS and, as they are not endorsed, or "signed off", are not negotiable except among Users. The CDS Nominee Facility Service does not permit CDS Nominee Certificates to be delivered outside the network of Users such as, for example, to clients of Users or to non-User brokerage firms, banks, or trust companies. A client wishing to hold his "eligible securities" in his own name will do so by requesting delivery to him of certificates registered in his name.

Certificates so registered will not be used by any User to settle transactions with other Users. CDS has arranged with issuers whose securities are eligible for the CDS Nominee Facility Service that no declarations respecting beneficial ownership will be required when "eligible securities" are registered in the name of the nominee of CDS or when CDS Nominee Certificates are delivered between Users. However, declarations of beneficial ownership will be required whenever securities represented by CDS Nominee Certificates are transferred by a User into the name of his client.

The manner in which the CDS Nominee Facility Service will assist a petroleum resource company in seeking to determine and demonstrate its level of Canadian ownership is described in a submission on the subject made to the Ontario Securities Commission by The Toronto Stock Exchange which submission will be available for inspection on and after 14 October 1981 at the Public Search Office of the Companies Division, Ministry of Consumer and Commercial Relations, 2nd Floor, 555 Yonge Street, Toronto, Ontario.

The Toronto Stock Exchange has amended its by-laws pertaining to good delivery so as to facilitate introduction of the CDS Nominee Facility Service with respect, specifically, to the securities of the first two petroleum resource companies that chose to avail themselves of the CDS Nominee Facility Service. The Exchange now proposes further amendments to its by-laws to permit the extension, by Exchange designation, of these procedures to the securities of other issuers ("the CDS Nominee Facility By-law Amendment").

NOW THEREFORE TAKE NOTICE that The Toronto Stock Exchange will be reviewing the CDS Nominee Facility By-law Amendment for the consideration of the Ontario Securities Commission (the "Commission") at a public hearing on 5 November 1981 at 2:30 o'clock in the afternoon at the Commission offices on the 6th Floor at 10 Wellesley Street East, Toronto, Ontario.

TAKE FURTHER NOTICE that The Canadian Depository for Securities Limited will be appearing before the Commission to review for the consideration of the Commission the operation of the CDS Nominee Facility Service and the issues affecting the public interest that might arise from its adoption, among which are, for example,

- a) the restrictions, if any, that would be imposed by CDS on the eligibility of an issuer to adopt the CDS Nominee Facility Service for its securities;
- b) the degree of protection afforded the interests of the

beneficial owners of securities represented by CDS Nominee Certificates and identification of any inconveniences caused by the CDS Nominee Facility Service to beneficial owners of such securities including consideration of what effect the CDS Nominee Facility Service may have on the ease and timeliness of communication with beneficial owners of securities by issuers and others with an interest in such contact;

AND TAKE FURTHER NOTICE that copies of the proposed CDS Nominee Facility By-law Amendment together with a covering submission will be available for inspection on and after 14 October 1981 at the Public Search Office of the Companies Division, Ministry of Consumer and Commercial Relations, 2nd Floor, 555 Yonge Street, Toronto, Ontario.

AND TAKE FURTHER NOTICE that interested parties are invited to make written submissions in twenty copies to the Secretary to the Commission, Ontario Securities Commission, 10 Wellesley Street East, 6th Floor, Toronto, Ontario, M7A 2H7 by no later than 28 October 1981.

AND TAKE FURTHER NOTICE that parties who wish to appear in person or through counsel at the hearing are requested to advise the Secretary to the Commission of such intention by no later than 30 October 1981 so that a schedule of appearances may be prepared.

DATED at Toronto this 2nd day of October, 1981.

NOTICE

IN THE MATTER OF PART XV OF THE BY-LAWS OF
THE TORONTO STOCK EXCHANGE

COMMISSION RATE STRUCTURE

RESCHEDULING OF HEARING TO 23 NOVEMBER 1981

In the Weekly Bulletin for the week ended 22 May 1981 notice was published of a Commission hearing to be held 5 October 1981 to consider whether it is in the public interest that The Toronto Stock Exchange's fixed minimum commission rate structure be continued.

The Weekly Bulletin of 14 August 1981 provided notice that the hearing had been rescheduled to 27 October 1981.

Notice is hereby given that it has once more proved necessary to reschedule the hearing. It will now be held at 10 o'clock in the forenoon of Monday 23 November 1981.

Notice will be given in next week's Weekly Bulletin of the location of the hearing.

IN THE MATTER OF THE SECURITIES ACT,
R.S.O. 1980, CHAPTER 466

AND

IN THE MATTER OF DOME CANADA LIMITED

ORDER
(Section 79(a)(i))

UPON the application of DOME CANADA LIMITED (the "Applicant"), a Company incorporated under the laws of Alberta, to the Ontario Securities Commission (the "Commission"), perfected and received by the Commission on August 18, 1981, pursuant to section 79(a)(i) of the Securities Act, R.S.O. 1980, c.466 (the "Act") for an order permitting the Applicant to omit from certain financial statements required to be filed under Part XVII of the Act comparative financial statements for certain particular periods of time.;

AND UPON it appearing that:

1. the Applicant became a reporting issuer on March 2, 1981;
2. prior to becoming a reporting issuer, the Applicant was a wholly-owned subsidiary of Dome Petroleum Limited the main source of revenue of which was oil and gas exploration and development;
3. since becoming a reporting issuer, the Applicant has ceased to be a wholly-owned subsidiary of Dome Petroleum Limited, the value of the assets of the Applicant has increased significantly and the main source of revenue of the Applicant is interest and dividend income; and
4. the changes in the value of the assets of the Applicant and the nature of its business since becoming a reporting issuer are such that it would not be meaningful to include in the Applicant's financial statements comparative financial statements for corresponding periods occurring prior to the date the Applicant became a reporting issuer;

AND UPON the Commission being of the opinion that to do so would not be prejudicial to the public interest;

IT IS ORDERED pursuant to section 79(a)(i) of the Act that the Applicant be and hereby is permitted to omit from its interim financial statements for the periods ending June 30, 1981, September 30, 1981 and March 31, 1982 and from its financial statement for the financial year ended December 31, 1981 comparative financial statements for the corresponding periods in the previous applicable financial year of the Applicant.

23rd September, 1981.

"Henry J. Knowles"

"W. A. Simonton"

IN THE MATTER OF HARRISON OLIVER ASH, JR.
AND HAROLD LOEWENSTINE, JR.

WHEREAS Harrison Oliver Ash, Jr. ("Ash") and Harold Loewenstine, Jr. ("Loewenstine") have made an application, initially received and perfected May 20, 1981, to the Ontario Securities Commission (the "Commission") for an order pursuant to Section 140 of the Securities Act, R.S.O. 1980, c.466 (the "Act") revoking the orders of Harry S. Bray, Vice Chairman of the Commission, dated February 9, 1970 wherein it was ordered pursuant to subsection 5 of section 19 of The Securities Act, 1966, and amendments thereto, that items 2, 6 and 7 of subsection 1 and subsection 3 of section 19 of The Securities Act, 1966 shall not, with respect to trades in the securities of Paulpic Gold Mines Ltd., apply to Ash and Loewenstine;

AND WHEREAS the Commission is of the opinion that it would not be prejudicial to the public interest to grant this order;

IT IS ORDERED pursuant to section 140 of the Act that the orders of Harry S. Bray dated February 9, 1970 be revoked.

16th September, 1981

"Henry J. Knowles"

"W. A. Simonton"

"R. T. Morgan"

"E. S. Miles"

"S. M. D. Beck"

"A. T. Holland"

"G. M. Webster"

IN THE MATTER OF
AMPAL-AMERICAN ISRAEL CORPORATION

UPON the application of Ampal-American Israel Corporation ("Ampal"), a corporation incorporated under the laws of the State of New York, to the Ontario Securities Commission (the "Commission") under section 73 of the Securities Act, R.S.O. 1980, c.466 (the "Act"), received and perfected on July 6, 1981;

AND UPON it appearing to the Commission that:

- a) Ampal is a non-resident of Canada and non-residents of Canada beneficially own in excess of 25% of the issued securities of the Company;
 - b) Ampal is primarily engaged in the business of financing industrial, financial, commercial and agricultural enterprises in the State of Israel and assisting Israeli business enterprises and individuals in establishing operations outside of Israel;
 - c) Preliminary prospectuses dated June 29, 1981 have been filed with the Commission relating to the offering by Ampal of two debenture issues as follows:
 - i) Series AA Debentures, being 10 year 10% redeemable debentures dated July 1, 1980 and maturing on July 1, 1990; and
 - ii) Series FF Debentures, being 10 year 12% redeemable debentures dated July 1, 1981 and maturing on July 1, 1991;
- (the foregoing Series AA and Series FF Debentures together referred to hereinafter as the "Debentures");
- d) The Debentures do not have a broad base of popular appeal and will be purchased by a segment of society which is likely to be interested in rendering assistance to the economic development of the State of Israel and therefore cognizant of the risks associated with purchasing these Debentures;
 - e) Hillel Peled, Vice President - Business Development and Mordecai Markus Awieser, Assistant Vice President - Marketing of Ampal are registered as officers or securities salesmen under the U.S. Securities Exchange

Act of 1934 and the General Business Law of the State of New York;

AND WHEREAS similar exemptions were granted to Ampal, Mordecai Markus Awieser and Hillel Peled in respect of the issue of certain debentures pursuant to two prospectuses dated November 19, 1980 by a ruling of the Commission dated December 14, 1980 (the "1980 Ruling");

AND UPON being satisfied that to so rule would not be prejudicial to the public interest;

NOW THEREFORE IT IS ORDERED, pursuant to section 73 of the Act, that Ampal, and Mordecai Markus Awieser and Hillel Peled, as designated officers of Ampal, are not subject to section 24 of the Act in respect of the issue of the Debentures and the sale of the Debentures in Ontario, provided that:

1. All potential purchasers of the Debentures will receive a copy of the final prospectus relating thereto which contains full, true and plain disclosure of all material facts relating to the securities offered thereby as required by Part XIV of Act, 1978;
2. Ampal shall carry bonding in the amount of \$500,000 to insure against claims made against Ampal which insurance is available to residents of Ontario with respect to claims against Ampal and shall have furnished to the Commission evidence of such bonding;
3. The said Mordecai Markus Awieser and Hillel Peled shall maintain their registration as officers or securities salesmen under the U.S. Securities Exchange Act of 1934 and the General Business Law of New York;
4. a) Each of Ampal and the said Mordecai Markus Awieser and Hillel Peled shall have filed with the Commission an undertaking, under seal:
 - i) to comply with the terms and conditions of this ruling;
 - ii) to comply with Part XII and sections 29, 30 and 32 of the Act and the Regulations pertaining thereto as if

it/he had been granted registration in Ontario under section 24(1)(a) of the Act, and

iii) to permit the inspection of all books, accounts, bank accounts, deposit boxes and similar records or depositaries relating to the issue and sale of the Debentures in Ontario by the Commission at a designated address in Ontario at any time during normal business hours;

b) Ampal shall have filed with the Commission authorizing them to act at the request of the Commission or the Director thereof to conduct an audit of Ampal's books, the expenses of which shall be borne by Ampal; and

c) Each of Mordecai Markus Awieser and Hillel Peled shall have filed with the Commission:

i) Information as to changes in the completed Form 4 to the Regulations to the Act filed with the Commission by each pursuant to the 1980 Ruling, and

ii) a letter indicating that he has read and understands Part XII of the Act;

5. Ampal shall have filed with the Commission an undertaking to advise the Deputy Director, Registration in writing of the occurrence of a material change in the affairs of Ampal, forthwith upon the occurrence of such material change.

25th September, 1981.

"Henry J. Knowles"

"Stuart Thom"

IN THE MATTER OF SILVERSTACK MINES LTD.,
LES MINES D'OR THOMPSON - BOUSQUET LTEE,
COPPER GIANT MINING CORPORATION AND
LONG LAC MINERAL EXPLORATION LIMITED

UPON the application received on September 3, 1981 and perfected on September 15, 1981 of Silverstack Mines Ltd. ("Silverstack"), a Quebec corporation, Les Mines D'Or Thompson - Bousquet Ltee ("Thompson"), a Quebec corporation, Copper Giant Mining Corporation Limited ("Copper Giant"), a British Columbia corporation and Long Lac Mineral Exploration Limited ("Exploration"), an Ontario corporation, to the Ontario Securities Commission (the "Commission") for a ruling, pursuant to section 73 of the Securities Act, R.S.O. 1980, c.466 (the "Act") that certain trades in the common shares of Long Lac Minerals Limited ("Minerals") are not subject to section 24 or 52 of the Act;

AND UPON it appearing to the Commission that:

- (a) the common shares of Silverstack are listed on the Montreal Stock Exchange, the shares of Thompson are traded on the over-the-counter market in Montreal and the shares of Copper Giant are listed on the Vancouver Stock Exchange;
- (b) through a series of asset transfers and amalgamations, (the "Reorganization") the former shareholders of Silverstack, Thompson and Copper Giant will become shareholders of a new public company, Minerals which, through a wholly owned subsidiary, Long Lac Resources Limited will hold all the former assets of Silverstack, Thompson and Copper Giant and certain assets formerly owned by Exploration;
- (c) upon the completion of the Reorganization there will be approximately 450 shareholders of Minerals with addresses in the Province of Ontario;
- (d) the acquisition of common shares of Minerals on the Reorganization by the former shareholders of Silverstack, Thompson and Copper Giant with addresses in the Province of Ontario is exempt from the provisions of sections 24 and 52 of the Act pursuant to the exemptions in sections 34(1)15(i) and 71(1)(i)(i) of the Act;
- (e) application has been made to list the common shares of Minerals on The Toronto Stock

Exchange, the Montreal Stock Exchange and the Vancouver Stock Exchange;

- (f) Silverstack, Thompson and Copper Giant are not at the present time reporting issuers under the Act;
- (g) during the previous year disclosure has been made to the public of the affairs of Silverstack, Thompson and Copper Giant because any material development in any of such companies has generally been regarded as a material change in the affairs of a reporting issuer, Little Long Lac Gold Mines Limited;
- (h) an information booklet (the "Information Booklet") containing extensive information with respect to the Reorganization and the various companies participating therein will be furnished to the shareholders of Silverstack, Thompson and Copper Giant in connection with meetings of shareholders of such companies which are being held for the purpose of approving the Reorganization and a copy thereof will be filed with the Commission; and
- (i) Minerals, upon completion of the Reorganization, will become a reporting issuer under the Act;

AND UPON reading the application, the material filed therewith and the recommendation of the staff of the Commission;

AND UPON being satisfied that to make such a ruling would not be prejudicial to the public interest;

IT IS HEREBY RULED that the first trade in any common share of Minerals acquired by the former shareholders of Silverstack, Thompson and Copper Giant in connection with the Reorganization is not subject to the provisions of sections 24 or 52 of the Act unless such first trade is a distribution as defined in section 1(1)11(iii) of the Act provided that:

1. the former shareholders of Silverstack, Thompson and Copper Giant are given a contractual right of action for damages against Minerals if the Information Booklet

contains a misrepresentation and a statement as to such contractual right of action is included in the Information Booklet;

2. a certificate to the effect that the Information Booklet constitutes full, true and plain disclosure of all material facts relating to the Reorganization is included in the Information Booklet and is signed by the Chief Executive Officer, the Chief Financial Officer and on behalf of the board of directors, by any two directors other than the foregoing, of Silverstack, Thompson, Copper Giant and Exploration respectively; and
3. at the time of such first trade the common shares of Minerals are listed and posted for trading on The Toronto Stock Exchange.

16th September, 1981.

"Henry J. Knowles"
"R.T. Morgan"

"W.A. Simonton"

IN THE MATTER OF
HOME HARDWARE STORES LIMITED

UPON the application by Home Hardware Stores Limited ("Home"), a corporation amalgamated under the laws of Ontario, to the Ontario Securities Commission (the "Commission") initially received and perfected on June 19, 1981, pursuant to section 73 of the Securities Act, R.S.O. 1980, c.466 (the "Act") that the issue of its common shares, redeemable special shares, and building loan notes to its dealers are not subject to sections 24 and 52 of the Act;

AND UPON it appearing to the Commission that:

1. Home is a corporation amalgamated under the laws of Ontario by Certificate of Amalgamation dated December 31, 1980;
2. Home is a corporation created by the amalgamation of Home Hardware Stores Limited ("Home Hardware") and Link Hardware Stores Ltd. under the laws of Ontario by Certificate of Amalgamation dated December 31, 1980;
3. Rulings dated March 6, 1980 and October 21, 1980 were granted to Home Hardware by the Commission under section 73 of the Act in respect of the issue by Home Hardware of its common shares, redeemable special shares and building loan notes;
4. Home carries on the same business as Home Hardware on an expanded basis; and
5. The common shares, redeemable special shares and building loan notes of Home have substantially the same attributes as those of Home Hardware, and the arrangements for issuance of such securities to Home's dealers are substantially the same as those for the issuance of the similar securities of Home Hardware to its dealers;

AND UPON the Commission being satisfied that to so rule would not be prejudicial to the public interest;

NOW THEREFORE IT IS RULED that the issuance of common shares, redeemable special shares and building loan notes by Home to its dealers are not subject to sections 24 and 52 of the Act, subject to the following conditions:

1. No person or company acquiring common shares, redeemable special shares or building loan notes of Home pursuant to this ruling, and no person having acquired common shares, special redeemable special shares or building loan notes of Home pursuant to the amalgamation of Home Hardware and Link Hardware Stores Ltd. shall dispose of all or any part thereof except to Home or with the prior written consent of the Commission;
2. Home shall deliver to each of its dealers within 140 days of the end of each financial year: (i) its annual audited financial statements prepared in accordance with section 77 of the Act; and (ii) a report in accordance with section 80(2) of the Act; and
3. Home shall provide a copy of this Ruling to each of its dealers and shall obtain from each such dealer a written acknowledgement addressed to the Commission and to Home of the receipt of a copy thereof.

23rd September, 1981.

"Henry J. Knowles"

"Stuart Thom"

IN THE MATTER OF
NATIONAL PETROLEUM LTD.

UPON the application received on June 2, 1981 and perfected on June 16, 1981 of Madrigal Funding ("Madrigal") pursuant to section 73 of the Securities Act, R.S.O. 1980, c.466 (the "Act") to the Ontario Securities Commission (the "Commission") for a ruling that the intended trades of up to 500,000 shares of National Petroleum Ltd. ("National") are not subject to section 24 or 52 of the Act;

AND UPON it appearing that:

1. National is a corporation incorporated under the laws of Alberta the shares of which are listed and posted for trading on The Toronto Stock Exchange ("T.S.E.");
2. National has been a reporting issuer for at least 18 months;
3. On April 10, 1980, Madrigal, a Cayman Island company, acquired 1,250,000 shares of National (the "Shares");
4. Madrigal filed with the Commission an undertaking which provided that there would be no further trade or other distribution of the Shares until the Commission had accepted for filing a prospectus for the Shares unless pursuant to an order of the Commission, and that Madrigal waived its rights to trade pursuant to subsection 71(7) of the Act;
5. The T.S.E. does not object to the making of this order; and
6. Madrigal wishes to trade the 500,000 of the Shares through the facilities of the T.S.E.;

AND UPON reading the application and the recommendations of the Commission staff;

AND UPON the Commission being satisfied that so to rule in respect of section 24 of the Act is not necessary under the circumstances and so to rule in respect of section 52 of the Act would not be prejudicial to the public interest;

IT IS RULED that the application as it relates to section 24 of the Act is denied and that the intended trades by Madrigal of up to 500,000 of the Shares are not subject to section 52 of the Act

provided that the intended trades are made in compliance with subsection 71(7) of the Act and the orderly market requirements of the T.S.E.

24th September, 1981.

"Henry J. Knowles"

"W.A. Simonton"

NATIONAL POLICY NO. 33

CERTIFIED FEATURE PRODUCTIONS
AND CERTIFIED SHORT PRODUCTIONS

I. INTRODUCTION

1.01 The Provincial Securities Administrators ("Administrators") have received numerous enquiries from persons interested in the public financing of certified feature productions and certified short productions which are intended to qualify for favourable income tax treatment under the federal Income Tax Act and regulations. The following policy based on experience to date, and dealing with particular aspects of such film offerings, provides guidelines only and is not intended to be exhaustive. The Administrators expect all material contracts with respect to the production and distribution of publicly financed films to be drafted so as not to conflict with the spirit of the policy. While not specifically directed at other types of undertakings of a creative nature such as live theatre, television commercials and phonograph recordings, the policy may have relevance to them.

1.02 In this policy,

"direct costs", means items of cost that can be reasonably identified with the production of a film but does not include financing costs, legal expenses excluding those related to production, contingent expenditures, completion guarantee fees, expenses of the issue or selling expenses;

"promoter means a person or company who, acting alone or in conjunction with one or more other persons, companies or a combination thereof, directly or indirectly,

- a) takes the initiative in development, financing and production of a film, and
- b) is able to establish the level of fees and other forms of remuneration payable to him or it, as the case may be, in respect to the development, financing and production of a film.

"promoter's fees" includes all fees, mark-ups and other forms of remuneration payable to a promoter or other non-arm's length party in respect of the development, financing and production of the film other than production service fees and completion guarantee fees at no more than fair market value, normal financing charges and any rebate of a completion guarantee.

Unless otherwise defined, other technical or trade terms used in the policy should be interpreted according to the normal industry usage.

II. ACCOUNTABILITY OF PROMOTERS TO INVESTORS

2.01 Those seeking funds from the public must be prepared to assume immediate, considerable and continuing responsibilities to those from whom the funds are sought. Such obligations are no less because the endeavour to be financed is artistic. At the outset, the Administrators must be assured that this duty is acknowledged by those who desire to qualify film financings by prospectus. Where private film financing was initially contemplated close enquiries will be made into the reasons for abandoning this source of funding and into any inflation of the budget originally presented to prospective private investors. The Administrators must be satisfied as to the identity of the person or company responsible for discharging the continuous disclosure and other obligations of reporting issuer and as to the nature of the arrangements made to assure ongoing reporting and accountability to the investors. In some jurisdictions it may be necessary that the identity of such persons or companies and the nature and details of the arrangements made be confirmed in a formal order of the Administrator.

III. STRUCTURING OF THE OFFERING

3.01 In film financings investors must place particular reliance on the representations and expertise of those responsible for supervising the production and direction of the film and on those responsible for distributing the completed product. The Administrators will be more readily persuaded that it is not against the public interest to issue a receipt for a film prospectus where the following observations are taken into account in the production, distribution and revenue allocation spheres.

Production

3.02 Staffing

The Administrators expect the key positions of producer and director to have been filled, pursuant to written agreements, at the time of filing the prospectus. They consider it essential that these positions be filled by

persons who have each had at least three years of continuous experience in the theatre, production of documentary films or production for television. The Administrators also consider it to be essential that at least one of the key positions be filled by an individual who has had experience, at a comparable level, in the production of at least one distributed feature film. Principal actors and other creative personnel who have been named in the prospectus must have been retained by written agreement such that they are firmly committed to the project. Such a commitment may consist of a telex communication from the person's agent confirming the terms of the engagement agreed upon.

3.03 Promoter's Fees

Promoter's fees shall not exceed, in aggregate, an amount equal to the sum of the following percentages of direct costs excluding promoter's fees as per the budget in the prospectus.

- 10% of the first \$500,000
- 6% of the next \$500,000
- 5% of the next \$500,000
- 3% of the next \$1,000,000
- 2% of the amount in excess of \$2,500,000

To the extent that any portion of the promoter's fee is deferred to be paid out of revenue after investors have recouped the full amount of their investment, that portion of the promoter's fee may be increased by 100%. Production services and facilities, studio facilities, equipment rentals and editing facilities provided by the promoter or other non-arm's length party shall be provided at not more than fair market value. Financing charges payable to the promoter or other non-arm's length party shall be at a rate no more than prime plus three percent based on actual cash employed.

3.04 Completion Guarantees

Where a film will not be completed in advance of the date of the prospectus the Administrators will require that a completion guarantee be obtained, at normal industry rates, from a recognized independent third-party guarantor or from a non-arm's length party with the financial resources and the expertise necessary to complete the film. The guarantor must guarantee to complete the film by a specified date but not in such a manner as to jeopardize its qualification for certification.

DISTRIBUTION

3.05 If distribution agreements are not in place for major markets, the Administrator must be satisfied that the party appointed or retained to negotiate such agreements has the experience and ability to do so. Normally, a recognized distribution agent will be acceptable. The promoter or other non-arm's length party may also be acceptable provided the relevant experience and ability can be demonstrated but, in this event, all fees, commissions and other forms of remuneration payable to the promoter or non-arm's length party must be included in producer's gross, where such amounts are payable in respect of distribution agreements not negotiated at arm's length. All fees in this connection must be disclosed and must be within industry norms. Any right to reimbursement for expenses must be restricted to some reasonable annual maximum. It would not be considered inappropriate that investors be given the right to change this maximum in a given year by resolution.

REVENUE ALLOCATIONS

3.06 The Administrators recognize that the Canadian feature film industry is still young and that it has yet to demonstrate a track record of financially successful films. As a result, the Administrators have adopted policies which emphasize maximization of the flow of revenue to investors at the expense of some business flexibility. The present intention is to maintain these policies until experience with public offerings is more fully developed, by which time modification may be justified.

3.07 Based on the foregoing general comments, the fundamental principles of public film financing adhered to by the Administrators will be as follows:

- a) 100% of producer's gross, net of all expenses, shall flow, pro rata according to total dollars committed to the project, to investors, assuming the film is 100% publicly financed, until the full amount of their investment is recouped.
- b) Thereafter, advances made by a completion guarantor may be recovered, without interest, and reasonable fixed deferred fees may be paid.
- c) Following recovery of guarantor's advances and payment of reasonable fixed deferred fees, producer's gross shall be divided between the investors and the promoter

with not less than 50% flowing to investors for allocation according to number of units held. Where 100% is publicly financed then investors shall receive at least 50% of a pro rata division.

- d) Profit points, reflecting the division of producer's gross, allocated to principal actors, other creative personnel, interim lenders and other financiers must be allocated from the 50% of producer's gross flowing to the promoter. The aggregate percentage so allocated as at the date of the prospectus must be disclosed. The Administrators will challenge any offering in which the percentage to be retained by the promoter is so low that the concept of sharing of risks and rewards between investors and the promoter is undermined.

3.08 In addition to the policies stated above, the following corollary rules will have an impact on acceptance of the structuring of film prospectus offerings:

- a) Leverage in the form of debt financing to be repaid out of the first revenues received is discouraged.
- b) Financing costs incurred in respect of the period between the 60th day of distribution of the securities and the completion of such distribution shall be borne by the promoter or those who have advanced the funds to which such costs relate.
- c) The loans advanced by interim lenders shall be liquidated in either, or both, of the following manners:
 - 1. Payment to the interim lender, at closing, of amounts due out of the proceeds of the public offering.
 - 2. Issuance to the interim lender of units remaining unsold after completion of the distribution in satisfaction of the debt owing. In such instances, there can be no preference given interim lenders over public investors except that interim lenders may invest in the units at a cost not including selling commissions. Such an investor shall not be treated any differently than any other investor in terms of the revenue allocation contemplated under paragraph 3.07 above.
- d) Where, following the completion of the distribution of

the securities, an interim lender remains in the position of creditor, the debt still owing shall be secured only by units which remained unsold at the completion of such distribution. No preference shall be afforded the party, typically the promoter, who takes down, and holds, the unsold units to which such security interest attached except that he may invest in such units at a cost not including selling commissions. Such investor shall not be treated any differently, as investor, than any other investor in terms of the revenue allocation contemplated under paragraph 3.07 above.

- e) Deferred fees, of a fixed amount, payable to principal actors and other creative personnel shall not be paid from revenues prior to public investors recouping the full amount of their investment and are permitted after such recoupment only if they have been granted in a bona fide attempt to reduce the size of the budget. The maximum aggregate amount of such deferrals shall not exceed 10% of direct costs.

IV. PROSPECTUS DISCLOSURE

GENERAL

- 4.01 To the extent practicable, the contents of a prospectus for a film offering should comply with the form for the prospectus of an industrial company. Each prospectus should contain a glossary of the film industry terms contained in the document. The terms "certified feature production" or "certified short production", however, shall not be used in a prospectus unless their meaning corresponds to the relevant definition in the regulations to the Income Tax Act.

THE FILM PROPERTY

- 4.02 The prospectus should make a clear statement that what is being offered is clear title to an original completed master film negative and all other commercial rights arising from its production free of any liens and encumbrances. If any rights are to be excluded in whole or part, they are to be specified as exclusions, showing beneficial ownership. The face page should clearly state whether the offering is for 100% of the property or some lesser interest.

- 4.03 The prospectus should clearly describe all of the media, territorial and ancillary rights of a material nature which may be commercially exploited. Any media, territorial or ancillary right of a material nature which has been withheld by a third party or retained by the promoter must be clearly identified and described.

SCREENPLAY AND STORY OUTLINE

- 4.04 This part of the prospectus should describe the party from whom the film property and other rights were acquired, the amount paid and, if acquired from a non-arm's length vendor, the cost of such property to the vendor. The principal writer, or writers of the screenplay should be identified by name and disclosure made of the aggregate amount paid for producing the screenplay. The story outline or key ingredients of the plot, except perhaps the ending, should be summarized in sufficient detail to enable a well advised investor to make a prudent assessment as to the commercial attractiveness of the subject matter of the film.

PRINCIPAL ACTORS AND OTHER CREATIVE PERSONNEL

- 4.06 The prospectus should describe the normal industry functions of the producer, executive producer and director. It should then go on to identify by name the individuals in those positions and clearly summarize the functions to be performed by them in respect to the particular project. The fee payable to each of the producer, executive producer and director should be identifiable in the budget.
- 4.07 Experience in the industry and other related fields for the previous five years shall be detailed for each of the producer and director.
- 4.08 If the promoter has never produced a feature length film for individual investors, as opposed to a studio or a corporation such as the C.B.C., a statement should be made to that effect. If he has produced a feature length film for individual investors, disclosure must be made of the title of the film, year of release, production cost, approximate producer's gross to date and investors' percentage of recoupment received to date.
- 4.09 The prospectus shall disclose that the promoter indemnifies the unitholders against all claims including possible

claims for libel or slander or infringement or violation of the rights of any person or entity, to the extent such claims are not covered by insurance.

PRODUCTION OF THE FILM

- 4.10 This section of the prospectus should describe the normal sequence of events involved in film production, being development, pre-production, principal photography and post-production and explain each of these elements. To the extent practicable, the amount allocated in respect to each area should be expressed or identifiable in the budget.
- 4.11 If the principal photography will not have commenced as of the date of the final prospectus the schedule for its commencement and completion should be stated. If principal photography is in progress as of the date of the final prospectus, disclosure should be made as to whether production is on schedule and on budget or, if not, as to the length of time ahead or behind schedule and the amount of money over or under budget, referenced to the schedule and budget established at the commencement of principal photography.
- 4.12 If interim financing is or has been used to provide funds for all, or any portion of, production, sufficient details must be given to the amounts involved and the cost of such financing, and the type of sources. Each non-arm's length lender of interim financing must be identified separately and the amount and terms involved disclosed.
- 4.13 The nature of the insurance carried with respect to various hazards should be summarized including maximum recoverable amount and deductibles and the extent to which time delays are covered.

BUDGET

- 4.14 All prospectuses must contain a budget presented in sufficient detail to conform to industry standards. This includes major above-the-line costs, below-the-line costs and indirect costs (which include financing costs, legal, contingency and completion guaranty fees, expenses of issue and selling commissions) indicating the percentage of the total budget each item and each sub-total represents. The total budget, except in unusual cases, should equal the

gross amount of the offering which appears on the face page.

- 4.15 All amounts to be paid to the promoter or other non-arm's length party for materials or services to be rendered to the production must represent no more than fair market value and be disclosed. Examples are amounts paid to a promoter who also owns a production studio or a film laboratory.
- 4.16 Any other amount payable to the promoter or a related party must be disclosed.
- 4.17 The prospectus must state that any funds remaining unspent on completion of the film will be applied to the marketing of the film or be returned to investors.

COMPLETION GUARANTEE

- 4.18 Disclosure shall be made of all material terms of any guarantee. The name of the guarantor shall be given as well as the fee payable. Where the guarantor is a non-arm's length party, disclosure shall be made of that fact. The third-party guarantor's non-financial role in the production should be described including budget analysis and review, the monitoring of production and the right to step in and assume control of the project. The prospectus must also state that the guarantor guarantees the technical quality of the completed product but not its aesthetic quality. Any right to a rebate of a portion of the fee should be disclosed as should the identity of those who would be recipients of the rebate. Such rebates need not be included in the calculation of the limit on the promoter's fee. Finally, if there is no third party guarantor the prospectus must state that the production has not had, and will not have, access to the usual non-financial services of a third party guarantor as described above.

COMMERCIAL EXPLOITATION

- 4.19 The Administrators feel that film offerings relate to a highly complex industry. Accordingly, prospectuses with respect to such offerings must serve an educational role as well as a strictly disclosure-orientated one. The following guidelines are intended to contribute to prospectuses which will assist investors in understanding the film industry;

- a) The prospectus should describe the normal revenue sources from the commercial exploitation of a film including theatrical, television, television serialization, pay television, in-flight showing and other ancillary rights. The commercial impact of any media, territorial or ancillary rights which are excluded in the particular offering should be stated.
- b) In respect of theatrical exhibition, the prospectus should describe in some detail the usual forms of distribution agreement, gross and net, variations in foreign territories and the flow of revenues generated in each case from box office receipts to producer's gross. The normal range of fees paid to exhibitors and distributors should be set out as well as typical sales and promotional expenses and who bears them.
- c) In respect of television the description should include U.S. networks, non-U.S. networks and syndicated television.

DISTRIBUTION

- 4.20 If distribution agreements are in place the material terms must be disclosed including the territories and media to which they apply, fees and expenses to be charged, minimum amounts to be spent on selling and promotion of the film (or, if no amounts are to be spent, that fact), audit rights, powers of the investors, or their agent, to veto sub-distribution agreements and the rights of the distributor to refuse delivery of the film.
- 4.21 If distribution agreements are not in place for major markets, and in particular the United States, face page disclosure should be made of this special risk.
- 4.22 All fees related to the negotiation of distribution agreements must be disclosed. Where the promoter or other non-arm's length party is appointed distribution agent, disclosure shall be made of that fact as well as that all fees, commissions and other forms of remuneration arising therefrom must be included in the producer's gross where such amounts are payable in respect of distribution agreements not negotiated at arm's length.

FINANCIAL DISCLOSURE

4.23 The prospectus shall disclose that the promoter will provide the investors with both interim and annual financial statements of the project on a calendar year basis prepared, as far as may be practicable, in accordance with the financial reporting requirements of the appropriate securities legislation and, without restricting the generality of the foregoing, the financial statements shall disclose the receipt and contributory sources of the producer's gross, and the distribution of the producer's gross to those who participate in it, by group. In all financial statements amounts pertaining to the securities offered by way of prospectus shall be presented on a per security basis as well as on an aggregate basis. In addition, each investor shall, prior to final certification, be provided with a detailed, audited cost breakdown of the completed film in a format comparable to the budget disclosed in the prospectus.

When the promoter provides any guarantees with respect to the completion or distribution of the film, his audited financial statements must be provided to the Administrators.

RISK FACTORS AND SPECULATIVE NATURE OF THE INVESTMENT

INVESTMENT

4.24 It would be difficult to set out a complete itemized list of all the elements of risk involved in a prospectus for a film offering which ought to be disclosed. The governing consideration must be that all reasonable foreseeable risks are to be fully and plainly described. The face page of the prospectus should include a bold face reference to the Risk Factor section. In particular, there should be highlighted in the prospectus the following facts:

- a) In order to achieve recoupment from theatrical exhibition alone a film must generate box office receipts many times its budget within a few years.
- b) As owners of the film, investors will be subject to all liabilities, actual or contingent, assumed by an owner of an interest in a film including possible claims for libel or slander and infringement or violation of the rights of any person or entity. The amount of this potential liability is unlimited. The promoter has agreed to indemnify the investor against these claims but the amount of this indemnification is limited by

the extent of the net assets of the promoter and such assets may not be sufficient to cover the amount of these claims. There is a risk that investors will be held personally liable for these claims.

INCOME TAX ASPECTS

- 4.25 The rules which must be met in order to obtain certification are to be described as well as the manner in which they are to be satisfied. Where appropriate, the Administrator will require production of the non-binding letter of opinion from the Canadian Film Certification Office stating that on the basis of the information provided the film appears to qualify for certification. If receipt of a favourable advance tax ruling is not a condition to the closing of the public offering the prospectus must contain a clear and unambiguous opinion from experienced tax counsel that 100% Capital Cost Allowance will be available to investors. Such an opinion will be acceptable where the structure of the offering complies with Revenue Canada's known regulations and policies. If it does not, in addition to the opinion, the promoter will be required to indemnify investors for any reassessment. The indemnity must have the effect of putting investors in the same position that they would have been in if the reassessment has not been made, including reasonable legal expenses incurred in contesting it.

MANAGEMENT INTERESTS AND CONFLICTS OF INTEREST

- 4.26 The prospectus must disclose all amounts payable to the promoter arising from the film offering, including promoter's fees, deferred fees, amounts contained in any budgeted item, fees for acting as completion guarantor, fees and return earned on interim financing, fees charged for acting as agent of the investors and the share of producer's gross to which it is entitled after recoupment. Any conflicts of interest arising as a result of carrying out such multiple functions must be clearly highlighted.
- 4.27 Where the promoter or another non-arm's length party is also the investors' agent, removal and replacement by a new agent should be possible on the passage of a resolution by a majority of the votes cast by unitholders voting in respect of that resolution. This may require a voting restriction on any units purchased or retained by the promoter to ensure that such units cannot be used to effect a veto. Disclosure shall be made in the prospectus that a list of unitholders is available on request. Once removed as investor's agent a

person or company shall waive all participation in future distribution arrangements.

FUNDS

- 4.28 Funds provided by the sale of units, must be deposited in a separate bank account and only withdrawn as expenses are incurred.

V. UNITHOLDERS' AGREEMENT

- 5.01 A unitholder's agreement must be attached to the prospectus. Provisions of the agreement with respect to the calling and conduct of meetings shall be at last equivalent to the provisions in this respect prescribed for corporations in the Canada Business Corporation Act. Outright sale of the film shall be conditioned on passage of a resolution by a majority of not less than two-thirds of the votes cast by the unitholders voting. For a period of at least five years all funds from exploitation of the film shall go directly to an independent custodian, preferably a financial institution, who shall disburse such funds in accordance with the terms of the subscription agreement.

EXPLANATORY NOTES

Information contained in this section has been summarized from insider reports filed with the Commission.

The name of the issuer is followed by a brief description of the class of security the name of the person or company reporting and his or its relationship to the issuer. If a person has an indirect interest in the securities reported, e.g., through holding companies, affiliate companies, partnerships, trusts or other entities, this is shown. Symbols are used in the column "Transaction and Ownership Symbol" to indicate the nature of ownership i.e., direct or indirect. Similarly the character of transactions is indicated provided the transactions are other than a purchase or sale. (See guide to symbols below):

GUIDE TO SYMBOLS

RELATIONSHIP	(appearing after the name reported)
"B"	- Beneficial Owner (direct or indirect) of equity shares of a reporting issuer carrying more than 10% of the voting rights attached to all equity shares of the reporting issuer outstanding.
"D"	- Director of principal reporting issuer.
"DI"	- Director of an issuer or a reporting issuer which is an insider or subsidiary of the principal reporting issuer.
"K"	- Exercises control or direction (direct or indirect) of equity shares of a reporting issuer carrying more than 10% of the voting rights attached to all equity shares of the reporting issuer.
"S"	- Senior Officer of principal reporting issuer.
"SI"	- Senior Officer of an issuer or a reporting issuer which is an insider or subsidiary of the principal reporting issuer.

NATURE OF OWNERSHIP

No Symbol	- Securities are beneficially owned directly.
Symbol #1	- The reporting person or company beneficially owns and/or has control or direction over securities which are held by a company, associate, partnership, trust or other entity.

CHARACTER OF TRANSACTION

No Symbol-	purchase or sale	"M"	- internal
"A"	- bequest or inheritance	"Q"	- qualifying shares
"C"	- compensation	"R"	- redeemed (called, Matured)
"E"	- exchange or conversion	"T"	- stock dividend
"F"	- exercise of rights, etc.	"V"	- stock split
"G"	- gift	"X"	- exercise of option
"IR"	- initial report	"Z"	- distribution

*Returned for reconciliation purposes.

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
AMERICAN EXPRESS COMPANY	Common	Peter A Cohen	DS I R			35097
ANDOVER RESOURCES LTD	Common	David D Martin	DS Sept/81	20		17185
AQUITAINE COMPANY OF CANADA LTD	Common	Jean-Jacques Pascal Amended	S Apr/81		160	310
		Frank Ricciuti	S Aug/81		140	---
ASAMERA INC	Series A Pref	Realwest Energy Corporation	B I R			1535087
AUGDOME CORPORATION LIMITED	Common	David D Martin	DS Sept/81	5000		5001
BANK OF MONTREAL	Common	Nathanael V Davis Amended	D I R Nov/80 Apr/81		500 500	4016 3016
		Morris A Graham	S I R			1000
		Robert J Normand	S I R			100
BELL CANADA	Common	Charles G Millar Amended RRSP	SI -- Jul/81	1	384	188 ---
BM-RT LTD	Common	George C Strachan	SI I R			---
BONANZA OIL & GAS LTD	Common	Stanley J Chad RSP 40% of 22612 Alberta Ltd	D I R 1 I R 1			909 25227

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
BRINCO LIMITED	Common	Thomas N Dirks Amended Sage Holdings Limited	Aug/81		2000	8000
			Aug/81	1	50500	104800
BRITISH COLUMBIA FOREST PRODUCTS LIMITED	Common	William R Steen RRSP	Aug/81 M Aug/81 M1	200	200	520 410
BRITISH COLUMBIA RESOURCES INVESTMENT CORPORATION	Common	Jean G Cormier	Aug/81	100		2100
CADILLAC FAIRVIEW CORPORATION LIMITED THE		John H Daniels	Sept/81	736000		
		Indirect Holdings	Sept/81	1000000		3900869
			--	1		8843838
CAE INDUSTRIES LTD	Common	William A Reid	May/81	30		
			Jun/81	60		90
		Frank Van De Water RRSP	Sept/81	200		6500
		RRSP-Spouse	Sept/81	300		1500
CALVERT DALE ESTATES LIMITED	Class B Common	Matthew Gaasenbeek	Jul/81	8500		58500
		Paul E Martin	--			50
		Nellmart Alberta Limited	Jul/81	11500		61500
CANADA CEMENT LAFARGE LTD	Series B Pref	Lafarge Coppee Subsidiary	Aug/81	7256392		7256392
CANADA DEVELOPMENT CORPORATION	Preferred	Stanley G B Pearson RRSP	I R Jul/81		700	700
			Jul/81		---	---

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CANADA PERMANENT MORTGAGE CORPORATION	Common	Andrew L Campbell	D Sept/81		250	---
		William P Pigott	D Sept/81		250	---
	Series A Pref	Beryl Plumptre	D Sept/81		250	---
	Series B Pref	Beryl Plumptre	Jul/81		200	---
		Beryl Plumptre	Sept/81	20		20
	Common	Robert D Armstrong	D Sept/81		250	---
	Series B Pref	Robert D Armstrong	Sept/81	20		20
	Common	Hugh H Mackay	D Sept/81		250	---
	Series B Pref	Hugh H Mackah	Sept/81	20		20
	Common	Donald G Neelands	D Sept/81		250	---
CANADIAN GENERAL INVESTMENTS	Series B Pref	Donald G Neelands	Sept/81	20		20
	Common	Norman E Whitmore	D Sept/81		250	---
	Series B Pref	Norman E Whitmore	Sept/81	20		20
	Common	Ward C Pitfield	D Sept/81	14		1062
CANADIAN IMPERIAL BANK OF COMMERCE	Warrants	Clarence W Cole	S I R			2000
	Common	William C Leuschner	DS Aug/81 Aug/81	3750	3750	---
CANDEL OIL LTD		A Ross Long	S Aug/81 Aug/81	1200	1200	---
		Gregory L Osmond	S Aug/81 Aug/81	1350	1350	---
		David R E Parry	S I R Aug/81		625	625

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CANDEL OIL LTD (continued)	Common	Michael A Williams	DS Aug/81 Aug/81	3000	3000	---
		Russell J Zaharko	S I R Aug/81		1000	1000 ---
		Robert C Beattie	S Aug/81 Aug/81	1350	1350	---
		R James Brown	S Aug/81 Aug/81	500	500	---
		Ardley H Caldwell	S I R Aug/81		625	625 ---
		Douglas H Church	S Aug/81 Aug/81	2500	2500	---
		Roy S Danielson	S Aug/81 Aug/81	600	600	---
		Donald M Ericson	S Aug/81 Aug/81	1625	1625	---
		A D MacKenzie Amended	D Oct/80 Jan/81 Feb/81		40000 6000	80750
		Donald L Mount Donald L Mount	S Apr/81 Apr/81	18500 3700		118500 3700
CANUC RESOURCES INC	Common	Joe R Solcher	S Apr/81 May/81 Apr/81	10000 20000 2000		130000 2000
		Joe R Solcher				
CANUSA ENERGY LTD	Common Warrants	Donald L Mount Donald L Mount	S Apr/81 Apr/81	18500 3700		118500 3700
		Joe R Solcher Joe R Solcher	S Apr/81 May/81 Apr/81	10000 20000 2000		130000 2000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CARMA DEVELOPERS LTD	Class B	Kenneth C Comyns	DI Jul/81	16		2122
CARUSCAN CORPORATION	Common	J T MacQuarrie Northumberland Investments Limited Scotia Holdings Limited RRSP Kirkmount Builders Limited Other indirects	D -- Jul/81 Jul/81 Jul/81 Jul/81 Jul/81 -- --		1000 20000 1000	100 16000 21000 5500 20100 24000
CHANCELLOR ENERGY RESOURCES INC	Non-Assessable Common	Frederick H Peacock Frederick H Peacock Peacock & Moon Holdings Ltd	I R I R			12750 20000
CHARTER OIL COMPANY LIMITED	Common	Alberta Petroleum Investment Corporation	B Aug/81	1568622		1739805
COCHRANE-DUNLOP LIMITED	Common	Frank Cochrane	DS Sept/81	900		421638
COMAPLEX RESOURCES INTERNATIONAL LTD	Common	Glen D Dickson George F Fink RRSP Ursen Developments Ltd	S Aug/81 DS Sept/81 -- --		200	45400 397150 5000 38800
COMIESA CORPORATION	Common	Hubert J Mockler RRSP	DS Sept/81 Sept/81 --	33333	20000	51333 20000
COMINCO LIMITED	Common	Angus A MacNaughton	DI Sept/81		1000	----

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
COMMERCIAL OIL AND GAS LTD	Common	Allan Russell TWA Allan R TWA Professional Corporation	Jul/81 1			
					5300	6702
COMTERM INC	Common	Guy Senecal	Aug/81		2000	58000
		Daniel S Miller RRSP	-- Sept/81 1	500		32131 500
CONSOLIDATED LOUANNA GOLD MINES LIMITED	Common	Julius Karosen Karosen Company Partnership	-- May/81 1 Aug/81 1 -- 1	5000 18000		152525 222500 119111
CONSUMERS DISTRIBUTING COMPANY LIMITED	Common	Michael Hedley	I R			3000
CONVENTURES LIMITED	Common	Oakwood Petroleum Ltd	I R			1453686
	Notes, Series 4&5	Oakwood Petroleum Ltd	I R			\$4700000
CORPORATED FOODS LIMITED	Common	Leonard D Irwin	Aug/81		80	5
COSEKA RESOURCES LIMITED	Common	Frederick J Birks	Aug/81		800	6200
CRESTBROOK FOREST INDUSTRIES LTD	Common	Montreal Trust Company Candou Industries Ltd	Aug/81 1 Sept/81 1	300 1950		506920

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CYPRUS ANVIL MINING CORPORATION	Common	Joseph B Lidster	S I R			1500
		J Glenn Simpson	S Aug/81		4205	---
		RRSP	Aug/81		2304	---
DELHI PACIFIC RESOURCES LIMITED	Option	J Glenn Simpson	Aug/81		3400	---
	Common	Thomas H Gorkoff	D Nov/80		8400	6600
		Amended In Trust for Ada Coupeland	Nov/80	M1	5100	3300
DOME PETROLEUM LIMITED		In Trust for Orvalk Horn	--	1		6600
	Common	Joseph B Lidster	SI I R			---
		J Glenn Simpson	SI I R			---
DOVER INDUSTRIES LIMITED	Common	Estate of Charles E MacCulloch	B			
		Amended Monte Vista Holdings Limited				
			Jun/81	1	900	205706
DRUMMOND MCCALL INC	Series A Common	Robin J Mayes	--		2500	200
		Royal Trust Company	Jul/81	1	500	1000
		George W Tolhurst	S			
DUNDEE-PALLISER RESOURCES INC	Common	Amended Share Purchase Plan	--			4800
			Jun/81	1	500	1500
		Wayne A McCoy	D Aug/81	2000		59700

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
DYNAMAR ENERGY LIMITED	Preferred	Hubert A Gray	D Feb/81		2000	35000
	Common	Richard B Hillary RRSP	S Jun/81 Jun/81	800 1200		1300 1200
ENSERCH CORPORATION	Common	L G Wagner	S I R			16
		Stock Purchase Plan	I R			166
FIN RESOURCES INC		W T Satterwhite	S Aug/81		315	5317
		Indirect Holding	--			1104
FINNING TRACTOR & EQUIPMENT COMPANY LIMITED	Common	M Rash & Co Limited	B Aug/81	1500		232200
	Series A Pref	Lyle E Norlander	S I R			3090
FIRST CITY FINANCIAL CORPORATION LTD		Peter G von der Porten	S I R			3030
	Common	Senator David Croll In Trust	DS Aug/81 --	1000		42104 4000
GASLITE PETROLEUM LTD	Common	R P Derkach	D DISI			62357
		Derkach Corporate Services Ltd	I R			1198000
		Paul E Lemire	DB I R			15625
		Patricia Lemire	I R			191250
		Gary A MacLellan	D I R			12125
		Owen Miedema	D I R			

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
GENERAL MOTORS CORPORATION	Common	J W McNulty Savings-Stock Purchase Program Other Indirect	S Aug/81		100	168
			--	1		783
			--	1		852
GENSTAR CORPORATION	Common	Walter T George*	S Aug/81	1000		1350
GEOCRUDE ENERGY INC	Common	Duncan J Jessiman RRSP Progressive Develop- ments (1978) Ltd	-- Aug/81 --	5000 1		38542 10000 292
GOLDEN BRIAR MINES LIMITED	Common	William Breukelman Executronics Ltd	Jun/81 --		3000 1	64000 23000
H O FINANCIAL LIMITED (FORMERLY HENNINGER BREWERY (ONTARIO) LTD)	Common	Frederick Semkovich F Semkowitch Limited Geoffrey Matus	Aug/81 I R	1	30000	161153 ---
HANSON MINERAL EXPLORATION LTD	Common	Clemens J Bucher	DS Aug/81 Aug/81	54022 V		54022
HARDEE FARMS INTERNATIONAL	Common	Everett McLaughlin Greenbriar Holdings Limited	D Aug/81 --	290 1		20790 5000
HARDING CARPETS LIMITED	Class D	Charles M Harding Mahard Invest- ments Limited	DS Aug/81 --	1200 1		146262 106850
HAVELOCK ENERGY RESOURCES INC (FORMERLY MINEDEL MINES LIMITED)	Common	Cadre Corporation	B Sept/81		78989	---

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
HIGHFIELD PROPERTY INVESTMENTS LTD	Common A	Robert G Elliott DS Highfield Corpora- tion Limited	Aug/81	1	13500	3105363
			Aug/81	1	133	1916209
			--	1		1512646
			--	1		
HIGHLAND QUEEN SPORTSWEAR LIMITED	Class A	Joseph Delmastro S Amended	Aug/81	9030		16250
HIGHWOOD RESOURCES LIMITED	Common	Thatcher L Townsend D	Aug/81		19000	104707
HOLLINGER ARGUS LIMITED	Common	Percy C Finlay DS	Sept/81	E	3300	40
HUDSON'S BAY OIL AND GAS COMPANY LIMITED	Common	Kenneth R Thomson B Trust	Aug/81	E1	156230	11518166
IMASCO LIMITED	Common	Joseph B Lidster S Imasco Limited Montreal Trust Company	I R			---
			Aug/81	4000		9633
INCO LIMITED	Common	William A Correll SI	Aug/81		850	---
INDAL LIMITED	Common	Rallip Canada Limited B	Sept/81	208700		5718228
INTERNATIONAL BUSINESS MACHINES CORPORATION	Common	Amory Houghton Jr D Trusts	--	90		1520
			--	3218		5155
JAMELAND MINES LTD	Common	Tony A Capizzano D	I R			100000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
KERR ADDISON MINES LTD	Common	Dale M Hendrick	S Jul/81		1000	3000
KRISTIANSEN CYCLE ENGINES LTD	Common	Leonard J Sinnott Amended	DS Jun/81		1	31269
L K RESOURCES LTD	Class A Common	Richard S Buckland	S I R			5000
	Class B Common	Richard S Buckland	I R			5000
LAILAW TRANSPORTATION LIMITED	Class B Common	Donald N Burnett 108984 Canada Ltd	S I R I R			200 15000
	Class A	Laurence Needler D DISI Fairway Heights Invest Ltd		5000 700		107400
LEASE-RITE CORPORATION INC	Class A Common	J Michael Toohey J M Toohey Management Services	I R			133333
LEVY INDUSTRIES LIMITED	Preference	Seaway Multi-Corp Limited	B Aug/81	1200		156965
MACLEAN HUNTER LIMITED	Class X	Matthew B Fyfe Anniversary Share Plan Deferred Profit Sharing Plan	S Aug/81 -- --	3000 1 1		27000 370 10
MACMILLAN BLOEDEL LIMITED	Common	Sidney W Forstrom Employee Share Purchase Plan	S -- Aug/81 Aug/81			780 18 48

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
MAGNA INTERNATIONAL INC	Class B	Frank Stronach Beechwood Farm Limited Bronze Dolphin Limited	DS Aug/81	21906		849606
			--	1		113367
			--	1		30000
MAGNETICS INTERNATIONAL LTD	Common	Bernard Leebosh	DS Aug/81	740		115461
MAJESTIC WILEY CONTRACTORS LIMITED	Common	George M Oswald	S May/81	3196		3392
MALABAR SILVER MINES LTD	Common	Welcome North Mines Ltd	B Aug/81		15900	400000
MCPHAR INSTRUMENT CORPORATION	Common	Alan K Wilkinson	DI I R			---
MDS HEALTH GROUP LIMITED	Class A Common	Neil M Reid 434435 Ontario Limited	S I R I R			7333 9167
MEXTOR MINERALS LIMITED	Common	W John Cairns	S I R			---
		Thomas E Gilett	S I R			---
MOUNT PLEASANT MINES LIMITED	Common	Adrian Stein	DS Jun/81	500		500
		Kismet Stein	D Jun/81	250		250
		Morris Stein	DS Jun/81	1000		1000
		Myron Stein	DS Jun/81	1000		1000
MTS INTERNATIONAL SERVICES INC	Common	Desmond Cunningham	D I R			17000
		Alastair Stevenson	D I R			110100

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
NATIONAL PETROLEUM CORPORATION	Common	Roman P Derkach	D I R			100
		Thomas H Gorkoff	D I R			100
NATIONAL TRUST COMPANY COMPANY, LIMITED	Common	John S. McKendy	S Jun/81		580	---
		David W S Dunlop	S Sep/81		300	305
		Wife	-	1		70
		Other Indirect	-	1		200
NEWMEX GOLD RESOURCES INC	Common	Mark Rash				
		M Rash & Co Limited	B Aug/81	1	1000	620025
NICKEL OFFSETS LIMITED	Common	Dr Peter Alther	B Sep/79	4000		
			Jan/80	50000		
			Nov/80	10000		
			May/81	10000		1032887
NORANDA MINES LIMITED	Common	Adam H Zimmerman	DS Sep/81	228		21671
		Children	Sep/81	340		427
		Other Indirect	-	1		32215
NORCEN ENERGY RESOURCES LIMITED	Common	Robert Normand	SI Jul/81		1250	5
NORTH WEST TRUST COMPANY	1st Preferred	Allarco Financial Corporation Ltd	B Aug/81	100		76080
NORTHUMERLAND MINES LIMITED	Common	George B Seely	D Sep/81		1000	2000
NU WEST GROUP LIMITED	Class "A" Convertible	H Rodney Gerla	D -			393348
		RRSP	Aug/81	1		30068
OCCIDENTAL PETROLEUM CORPORATION	Common	L Schechter Jerrold	S Aug/81	300		2157
		Anthony R Leach	S I R			1500
		Thrift Plan	I R	1		3474

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
PACIFIC LIGHTING COMPANY SOUTHERN CALIFORNIA GAS COMPANY	Common	Retirement Savings Plan Trust for Employees of Pacific Lighting Corporation and Southern California Gas	K 1981	49498	6089	5233287
PAGURIAN CORPORATION LIMITED, THE	Class "A"	T L Townsend, Jr Retirement Account	Jul/81 1 Jul/81 1		18000 2000	---
PALOMA PETROLEUM LTD	Common	George C Elliott Stonebough Enterprise Ltd	Aug/81 1	5000		17000
PE BEN OILFIELD SERVICES LTD	Common	David J Horton Janeff Holding Company	- Jun/81 1 Jul/81 1 Aug/81 1	1500 2500 9000		100000 1500 4000 13000
PHILLIPS PETROLEUM COMPANY	Common	Edwin Van Den Bark Dividend Reinvestment Plan	- 1981 1	24		1738 24
PLACER DEVELOPMENT LTD	Common	Melvin R Laird Trustee	Sep/81 1	500		1500
POP SHOPPES INTERNATIONAL INC	Common	Jay K Taylor	SI 1981	70		301
PROVIGO INC	Common	Alan K Wilkinson	DI I R			---
PYX EXPLORATIONS LTD	Common	Frank M Warnock	Aug/81		20000	---
	Common	Jerome C Byrne	DS Sep/81	50000		65010

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
Q C T V (ALBERTA) LTD	Common	George F Bondar Wife	Aug/81 -	1	4000	20493 15450
RAM PETROLEUMS LIMITED		W John Cairns	S I R			---
REALM RESOURCES INC	Common	Neil McKay	DSB Sep/81		87500	75001
REED STENHOUSE COMPANIES	Common "A"	A G Bacon	S Aug/81		15000	85350
ROCKWELL INTERNATIONAL CORPORATION	Common	Trust Fund under Rockwell International Corporation	K 1981	150000	133762	19935433
ROYAL BANK OF CANADA, THE	Common	John A Tory	D 1981	T 110		6392
		William S Snook	S Aug/81	100		500
		Norman L Rapkin	S 1981	3		743
SCOTT PAPER LIMITED	Common	Donna C Herb	Sep/81		662	4012
SEAGRAM CO LIMITED, THE	Common	Fred R Abramovitch	D I R			200
SHAWNEE PETROLEUMS LIMITED	Common	Wayne A McCoy	D Aug/81	2500		12000
SHELTER HYDROCARBONS LIMITED	Common	Cornelis M Zeilstra Profit Sharing Plan	S Aug/81 Aug/81 Sep/81	1 1	4000 4690 2500	--- 2500 ---
SKLAR MANUFACTURING LIMITED	Common	PCL Industries Limited	Sep/81	339000		1179300
SONOR INVESTMENTS LIMITED	8% First Preferred	Sonor Investments Limited	Sep/81 Sep/81	700 R	700	---

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
SPAR AEROSPACE LIMITED	Junior Preferred	David A B Steel	D Sep/81		400	---
STRATHCONA RESOURCE INDUSTRIES LTD	Common	John Weatherall Wife	D Aug/81	1 9000		2977 10000
SUPERIOR OIL COMPANY, THE	Common	Robert C Thomas	S I R			---
TAMAN RESOURCES LIMITED		W John Cairns	S I R			---
TEXAS EASTERN CORPORATION	Common	Ralph S O'Connor Joint with Wife	D Aug/81	1000		19984
TEXASGULF INC	Common	Leo J Miller	S Jul/81 Jul/81	C 271	6871	---
		Gino P Giusti	DS Jul/81 Jul/81 Jul/81	C 570	17736 310	---
		George W Mannard	S Jun/81 Jul/81 Jul/81	T 10 C 255		29
TORONTO DOMINION BANK, THE	Common	Richard M Thomson	S Sep/81	1700		14773
		Donald J Phillips	D I R			1250
TOTAL PETROLEUM (NORTH AMERICA) LTD	Common	Gilbert M Kiggins Amended Children Wife Trust	S Jun/81 Jun/81 Jun/81 Jun/81	1 1 1 1	4000 900 400 2500	6000 600 100 1500

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
TRANS CANADA GLASS LTD	Common	Franann Holdings Ltd	B Jun/81 Jul/81 -	2800 4800		781974
TRANSALTA UTILITIES CORPORATION (FORMERLY CALGARY POWER LTD)	Common "A" \$1.40 Convertible 2nd Preferred	Nu-West Group Limited	B Sep/81 Sep/81	3372416 430100		11038427
TRIMAC, LTD	Rights for Common "A"	Edd M Van Hooser	Sep/81	1000000		1540295
TRIZEC CORPORATION LTD	Common	Brian P Drummond	Sep/81 Sep/81	8726018	30351768	---
ULTRAMAR COMPANY LIMITED	Common	Andre Roy	I R			1000
	Common	Timothy J Hunt	I R			1
	Common		S Jul/81	300		1366
	Common		Sep/81 Sep/81	6000	2000	4000
UNICAN SECURITY SYSTEMS LTD	Common	Unican Security Systems Ltd	Jul/81 Aug/81	5600 4300		119780
UNION CARBIDE CANADA LIMITED	Common	Harry J Gray	DI I R			---
	Common	Union Carbide Corporation	B Jul/81 Aug/81	7997 2228		20087600
UNITED WESTBURNIE INDUSTRIES LIMITED	Common	Westburne International Industries Ltd.	B Jul/81	8000		1729087

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
VENPOWER LTD	Common	Bernard J Kamin	D Aug/81	600		3000
VERSATILE CORPORATION	Common "A"	R M Hungerford	D Jun/81	T 324		
	Common "B"		Aug/81 Jun/81	T 323	20000	55067 5376
VGM TRUSTCO LIMITED	Common	John G Mosley	SI Sep/81	71		605
WARREN EXPLORATIONS LIMITED	Common	John A Pollock	DS			
		Amended Jonpol Investments Ltd			2000	
		Jonpol Explorations Limited	Aug/81 Aug/81	1 1	5000	47000
			-	1		2000
WARRINGTON INC	Common	Brahm M Gelfand	D I R			1000
		Wife	I R	1		5000
WESTFORT PETROLEUMS LTD	Common	J Denis Mote	D I R			4000

REPORTS OF TRADES SUBMITTED ON FORM 20 (AND ITS PREDECESSOR)
UNDER THE SECURITIES ACT 1978

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Sep. 15, 1981	Greymac Credit Corp.	459862 Ontario Ltd. common shares	\$ 1.00	100,000 shrs
Sep. 15, 1981	G. E. Fowlie	"	1.00	100,000 "
Sep. 15, 1981	489598 Ontario Ltd.	"	1.00	135,000 "
July 30, 1981	Thorbrahms Invest- ment Company	Carlyle 1981-A1 and A2 Ltd. Partnership A1 units @ \$14,000 each (Cdn) plus warrant to purchase 4000 common of Carlyle Ltd. - A2 units @ \$6000 each (U.S.)	Cdn 14,000.00 U.S. 6,000.00	5 units 5 "
July 30, 1981	North American Life Assurance Company	"	Cdn 14,000.00 U.S. 6,000.00	25 " 25 "
July 30, 1981	Andrew G. McCaughey	"	Cdn 14,000.00 U.S. 6,000.00	5 " 5 "
July 30, 1981	Wittington Resources Ltd.	"	Cdn 14,000.00 U.S. 6,000.00	15 " 15 "
July 30, 1981	The Molson Cos. Ltd.	"	Cdn 14,000.00	50 "
July 30, 1981	Oron Inc.	"	U.S. 6,000.00	50 "
Sep. 1, 1981	Confederation Life Insurance Company	Dover Park Develop- ment Corp. Ltd. - common class "B" preferred	1.00 25.00	28,000 shrs 40,000 "
Sep. 16, 1981	Edward H. Smith	"B.C. - A Special Christmas" - units	14,846.00	2 units
Sep. 16, 1981	CDC Executive Deferred Compensation Plan	"	14,846.00	2 "
Sep. 16, 1981	H. Anthony Hampson	"	14,846.00	4 "
Sep. 16, 1981	Stanley A. Cowtan	"	14,846.00	4 "
Sep. 16, 1981	Hugh G. Tait	"	14,846.00	4 "

Continued

<u>Transaction date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Sep. 16, 1981	John W. Sandford	"B.C. - A Special Christmas" - units	\$ 14,846.00	1 unit
Sep. 16, 1981	Michael Paul Baetz	"	14,846.00	1 "
Sep. 16, 1981	Robert K. Heule	"	14,846.00	1 "
Sep. 16, 1981	Thomas J. Bell	"	14,846.00	3 units
Sep. 16, 1981	Ronald Oberlanter	"	14,846.00	1 unit
Sep. 16, 1981	Harold W. Johnson	"	14,846.00	2 units
Sep. 16, 1981	John Francis Enright	"	14,846.00	2 "
Sep. 16, 1981	F. Travis Hill	"	14,846.00	4 "
Sep. 16, 1981	Ireal A. Mayson	"	14,846.00	2 "
Sep. 16, 1981	William B. Simpson	"	14,846.00	1 unit
Sep. 16, 1981	G. Ronald Jackson	"	14,846.00	1 "
Sep. 16, 1981	R. E. Waller	"	14,846.00	1 "
Sep. 16, 1981	David A. Barbour	"	14,846.00	1 "
Sep. 16, 1981	H. John Stollery	"	14,846.00	1 "
Sep. 16, 1981	Jeri Mandel	"	14,846.00	3 units
Sep. 16, 1981	G.H.G. Layt	"	14,846.00	2 "
Sep. 16, 1981	John Leng	"	14,846.00	3 "
Sep. 16, 1981	Joseph Wintermans	"	14,846.00	1 unit
Sep. 16, 1981	Ian Drysdale Sneddon	"	14,846.00	2 units
Sep. 16, 1981	Sharon Bishop	"	14,846.00	1 unit
Sep. 22, 1981	Canadian Imperial Bank of Commerce	Massey-Ferguson Ltd. series "C" preferred shares	25.00	800,000 shrs
Sep. 22, 1981	Canadian Imperial Bank of Commerce	Massey-Ferguson Ltd. series "E" preferred shares	25.00	464,000 "

2/October/81

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Sep. 11, 1981*		Hudson's Bay Company variable rate series "F" note	\$ 500,000.00	\$ 500,000.00
Sep. 14, 1981*	Dr. Ernest A.T. Salmon	Funny Faces - Part II units	10,000.00	2 units
July 15, 1981*	Dr. Seymour Silverberg	"	10,000.00	2 "
Aug. 28, 1981*	Allan S. Teachman	"	10,000.00	2 "
Aug. 6, 1981*	Dr. Thomas R. Verny	"	10,000.00	1 unit
Aug. 28, 1981*	William Wagman	"	10,000.00	2 units
July 29, 1981*	Dr. Samuel William	"	10,000.00	1 unit
Aug. 31, 1981*	Dr. Maurice Bent	"	10,000.00	2 units
July 9, 1981*	Mr. Paul Crosby	"	10,000.00	2 "
Aug. 4, 1981*	Dr. Shammon Doctor	"	10,000.00	2 "
Aug. 31, 1981*	Mr. Morris Finer	"	10,000.00	5 "
Aug. 7, 1981*	Dr. Eugene Fung	"	10,000.00	2 "
Aug. 28, 1981*	Mr. Wayne Gretzky	"	10,000.00	2 "
July 21, 1981*	Mr. David Grotell	"	10,000.00	1 unit
Aug. 10, 1981*	Mr. John Houlding	"	10,000.00	2 units
July 21, 1981*	Dr. Jeffrey Hurwitz	"	10,000.00	3 "
Aug. 10, 1981*	Mr. Harold Lederman	"	10,000.00	10 "
Aug. 5, 1981*	Dr. A.W. Lieberman	"	10,000.00	4 "
July 15, 1981*	Dr. Lennis MacFadyen	"	10,000.00	5 "
Aug. 28, 1981*	Mr. Edwin P. Ross	"	10,000.00	2 "
Sep. 15, 1981	D. J. Evans	Pilots Resources Part- nership 1981-units in a General Partnership	25,000.00	1 unit
Sep. 15, 1981	S. Smith	"	25,000.00	1 "

*Report improperly filed

Continued

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Sep. 15, 1981	A. J. Normand	Pilots Resources Part- newship 1981-units in a General Partnership	\$ 25,000.00	1 unit
July 23, 1981	Dr. Bruce L. Bird	Willowdale Resources (1981) Ltd. - common shares	.78	1,501,500 shrs
July 23, 1981	Dr. Roman Borsch	"	.78	1,001,011 "
July 23, 1981	Mr. J. C. Bright	"	.78	920,821 "
July 23, 1981	Mr. W. R. Bryce	"	.78	965,371 "
July 23, 1981	Mr. C.A.S. Bulmer	"	.78	1,001,011 "
July 23, 1981	Dr. T. Barrington	"	.78	1,001,011 "
July 23, 1981	Dr. K. S. Clarke	"	.78	3,575,000 "
July 23, 1981	Dr. G. M. Cooke	"	.78	1,001,011 "
July 23, 1981	Mr. Purdy Crawford	"	.78	1,000,989 "
July 23, 1981	George W. Crothers	"	.78	1,985,302 "
July 23, 1981	James F. Crothers	"	.78	1,986,501 "
July 23, 1981	Joseph P. Crothers	"	.78	1,986,501 "
July 23, 1981	N. A. Cleland	"	.78	1,001,011 "
July 23, 1981	Dr. W.S. Crysdale	"	.78	2,001,978 "
July 23, 1981	P. S. Crysdale	"	.78	430,749 "
July 23, 1981	Dr. James Culnan	"	.78	1,001,011 "
July 23, 1981	A. N. Edgington	"	.78	1,501,500 "
July 23, 1981	Dr. John G. Evans	"	.78	3,378,738 "
July 23, 1981	A. E. Facey	"	.78	1,001,011 "
July 23, 1981	P. M. Farlinger	"	.78	9,653,589 "
July 23, 1981	Geoffrey R. French	"	.78	1,001,011 "
July 23, 1981	Dr. Charles Gonsalves	"	.78	1,001,011 "

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
July 23, 1981	J. B. Hartford	Willowdale Resources (1981) Ltd. - common shares	.78	1,001,011 shrs
July 23, 1981	Robert W. Henry	"	.78	1,001,011
July 23, 1981	Dr. G. V. Hess	"	.78	1,001,011
July 23, 1981	L. Milton Hess	"	.78	965,371
July 23, 1981	I. Elmore Houser	"	.78	920,821
July 23, 1981	Dr. W. G. James	"	.78	7,007,000
July 23, 1981	L. A. Kaake	"	.78	1,001,011
July 23, 1981	C. Clifford Lax	"	.78	1,001,011
July 23, 1981	J. D. Leitch	"	.78	2,001,978
July 23, 1981	D. P. MacGregor	"	.78	920,821
July 23, 1981	I. MacGregor	"	.78	1,001,011
July 23, 1981	R. A. Marcello	"	.78	252,549
July 23, 1981	Dr. G. McCain	"	.78	1,001,011
July 23, 1981	F. S. McCabe	"	.78	965,371
July 23, 1981	Dr. R. McCallum	"	.78	1,001,011
July 23, 1981	J. Peter McDonnell	"	.78	1,001,011
July 23, 1981	John Bruce McLellan	"	.78	1,191,674
July 23, 1981	G. L. Mollenhauer	"	.78	1,191,674
July 23, 1981	J. D. Mollenhauer	"	.78	2,383,304
July 23, 1981	A. R. Monahan	"	.78	1,859,418
July 23, 1981	Hugh G. Morris	"	.78	1,501,500
July 23, 1981	R.F. Communications Ltd.	"	.78	1,191,674
July 23, 1981	Henry Y. Okada	"	.78	1,191,674
July 23, 1981	Dr. Charles R. Palmer	"	.78	965,371

Continued

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
July 23, 1981	Donald Pattison	Willowdale Resources \$ (1981) Ltd. - common shares	.78	929,709 shrs
July 23, 1981	Dr. H. M. Patel	"	.78	965,371 "
July 23, 1981	Dr. Norman Patt	"	.78	1,488,010 "
July 23, 1981	Joel M. Rose	"	.78	1,488,040 "
July 23, 1981	James Slater	"	.78	4,826,789 "
July 23, 1981	Dr. D.J. Sieniewicz	"	.78	1,001,011 "
July 23, 1981	J. E. Sexton	"	.78	1,001,011 "
July 23, 1981	Dr. Henry N. Singer	"	.78	3,861,440 "
July 23, 1981	D. M. Sorenson	"	.78	1,001,011 "
July 23, 1981	Bruce A. Sully	"	.78	2,001,978 "
July 23, 1981	Dr. Allan B. Sylvester	"	.78	1,191,674 "
July 23, 1981	W. E. Thomson	"	.78	2,001,978 "
July 23, 1981	Willowdale Resources (1981) Ltd.	Willowdale Resources 866,440.00 Syndicate - units		87 units

FORM 21 (AND ITS PREDECESSOR) - RESALE OF SECURITIES

<u>Date of Resale</u>	<u>Date of Original Purchase</u>	<u>Seller</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Sep. 2, 1981	July 25, 1979	Lease-Rite Corp.	Blake Resources Ltd. - common shares	\$ 2.50	15,000 shrs
Sep. 3, 1981	July 25, 1979	"	"	2.50	5,000 "
Sep. 4, 1981	July 25, 1979	"	"	2.50	7,000 "
Sep. 8, 1981	July 25, 1979	"	"	2.50	2,200 "
Aug. 4, 1981	May 1, 1980	Franchise Re- search Limited	Grandma Lee's Inc. first preferred	10.00	8,000 "

<u>Seller</u>	<u>Security</u>	<u>Amount</u>
Dr. Joseph A. Peller	Andres Wines Ltd. - class "A" shares (non-voting)	22,000 shrs
P. Murray Palin	Bighart Oil and Gas Ltd. - common shares	13,800 "
Wendy P. Trust	Dylex Limited - class "A" preferred	4,900 "
Lynn P. Trust	"	4,900 "
David P. Trust	"	4,900 "
Sandra P. Trust	"	7,400 "
Richard P. Trust	"	7,400 "
S. Kay	United Reef Petroleum Limited - common shares	27,450 "
J. H. Hirshhorn	"	126,900 "

TAKE-OVER BID, ISSUER BIDS

240083 B.C. LTD.
(OFFEROR)

FIRST CITY FINANCIAL CORPORATION LTD.
(OFFEREE)

CDC PETROLEUM INC.
(OFFEROR)

AQUITAINE COMPANY OF CANADA LTD.
(OFFEREE)

MUNICIPAL FINANCIAL CORPORATION
(OFFEROR)

MUNICIPAL SAVINGS & LOAN CORPORATION
(OFFEREE)

TRANS-CANADA RESOURCES LTD.
(OFFEROR)

DARKHAWK DEVELOPMENT CORPORATION LTD.
(OFFEREE)

CONTINUOUS DISCLOSURE FILINGS

MATERIAL RECEIVED PURSUANT TO THE ACT & REGULATIONS

A ANNUAL FINANCIAL STATEMENTS
B INFORMATION CIRCULAR (FORM 30) OR REPORT (FORM 28)
C INTERIM FINANCIAL STATEMENTS
D TAKE-OVER, ISSUER BIDS AND RELATED MATERIAL
E OTHER REPORTS
F REPORT OF MATERIAL CHANGE (FORM 27)

ADVANCE MURGOR EXPLORATIONS LIMITED	A B C E
AGF MANAGEMENT LIMITED	C
ALCAN ALUMINUM LIMITED	E
AMCAN INDUSTRIES CORPORATION	E
AMERACRUDE INTERNATIONAL INC	B
AMERICAN QUASAR PETROLEUM CO.	E
AQUITAINE COMPANY OF CANADA LTD.	E
ASAMERA INC.	E
ASCOT LIMITED PARTNERSHIP, THE	C
ATCO LTD.	E
AUGDOME CORPORATION LIMITED	E
AUGMITTO EXPLORATIONS LIMITED	A
B B C REALTY INVESTORS	E
B P CANADA INC.	E
BM-RT LTD.	E
BANK OF MONTREAL	C
BANKENO MINES LIMITED	C
BAR RESOURCES LIMITED	E
BAY MILLS LIMITED	E
BELL CANADA	E
BLACK PHOTO CORPORATION LIMITED	E
BLAKE RESOURCES LTD.	E
BLUESKY OIL & GAS LTD.	A B
BOLTON TREMBLAY INCOME FUND	E
BOLTON TREMBLAY INTERNATIONAL FUND	E
BOOTS DRUG STORE (CANADA) LTD.	C E
BRAMALEA LIMITED	C E
BREAD-MAN INTERNATIONAL INC.	C E
BRENDA MINES LIMITED	E
BRITISH COLUMBIA FOREST PRODUCTS LIMITED	E
BRITISH COLUMBIA RESOURCES INVESTMENT CORPORATION	E
BRITISH COLUMBIA TELEPHONE COMPANY	E
BRITISH PETROLEUM COMPANY LIMITED	C
BROWN-McDADE MINES LIMITED	B C E
CALVERT-DALE ESTATES LIMITED	E
CAMEL OIL & GAS LTD.	C E
CAMINDEX MINES LIMITED	A
CAMPEAU CORPORATION	E
CAMRECO INC.	C E

CANADA CUMULATIVE FUND	E
CANADA DEVELOPMENT CORPORATION	E
CANADA PERMANENT MORTGAGE CORPORATION	E
CANADIAN CORPORATE MANAGEMENT COMPANY LIMITED	E
CANADIAN LENCOURT MINES LIMITED	C
CANADIAN MARCONI COMPANY	B
CANADIAN NATURAL RESOURCES LIMITED	E
CANADIAN WESTERN NATURAL GAS COMPANY LIMITED	B
CANDY INVESTMENTS LIMITED	C
CARMA DEVELOPERS LTD.	E
CARTIER RESOURCES INC.	E
CEDAR RIDGE EXPLORATIONS LTD.	C
CELINA RESOURCES INC.	C E
CINCINNATI RESOURCES INC.	C E
CLAIBORNE INDUSTRIES LIMITED	F
CLARION PETROLEUMS LTD.	C
COASTAL INTERNATIONAL LTD.	E
COHO RESOURCES LIMITED	C
COMMERCIAL OIL AND GAS LTD.	C
CONFED DOLPHIN FUND	C
CONSOLIDATED MARBENOR MINES LTD.	C
CONSOLIDATED REACTOR URANIUM MINES LTD.	C
COPP CLARK LIMITED	A B
CORBY DISTILLERIES LIMITED	E
CZAR RESOURCES LTD.	E
DAON DEVELOPMENT CORPORATION	C E
DATATECH SYSTEMS LTD.	C
DISTIRCT TRUST COMPANY	E
DOFASCO INC.	E
DOLPHIN MORTGAGE FUND	C
DOMINION CITRUS & DRUGS LTD.	E
DOMINION STORES LIMITED	E
DOMTAR INC.	E
DRUMMOND, MCCALL INC.	E
DUNCAN GOLD RESOURCES INC.	C
DUNDEE-PALLISER RESOURCES INC.	A
DUPONT CANADA INC.	E
EGO RESOURCES LIMITED	E
ELKS STORES LIMITED	C E
EMCO LIMITED	E
EQUITRUST MORTGAGE & SAVINGS COMPANY	C
F.C.A. INTERNATIONAL LTD.	E
FEDERAL INDUSTRIES LIMITED	E
FIRST CANADIAN MORTGAGE FUND	C
FIRST CITY FINANCIAL CORPORATION LTD.	E
FOODEX INC.	C
FORD MOTOR COMPANY OF CANADA LTD.	E
FRENCH ROAD EXPLORATIONS LIMITED	E
G.M. RESOURCES LIMITED	E
GENENERGY RESOURCES LTD.	E
GENERAL AMERICAN OIL COMPANY OF TEXAS	A
GENSTAR CORP.	E
GETTY OIL COMPANY	E
GIANT YELLOWKNIFE MINES LIMITED	E
GLENCAIR RESOURCES INC.	C
GODERICH ELEVATORS LIMITED	C
GOLDFUND LTD.	C
GOLDTRUST	C
GORDEX MINERALS LIMITED	C

GOWEST GOLD RESOURCES LTD.	C
GRAFTON GROUP LIMITED	C
GRANDMA LEE'S INC.	E
GULF CANADA LIMITED	E
HALLIBURTON COMPANY	E
HAMILTON GROUP LIMITED, THE	C
HATLEIGH CORPORATION	C
HIGHFIELD PROPERTY INVESTMENTS LTD.	C
HIRAM WALKER RESOURCES LTD.	E
HUDSON BAY MINING AND SMELTING CO. LIMITED	E
HUDSON'S BAY OIL AND GAS COMPANY LIMITED	E
HUNTERS POINT LIMITED PARTNERSHIP	C
HUSKY OIL LTD.	E
I.C.G. UTILITIES LTD.	C
IMPERIAL OIL LIMITED	E
INDAL LIMITED	E F
INDUSTRIAL AMERICAN FUND	E
INDUSTRIAL GROWTH FUND	E
INDUSTRIAL INCOME FUND	E
INEXCO OIL COMPANY	E
INTERMETCO LIMITED	C
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JONES-HEWARD FUND LTD.	E
KERR-MCGEE CORPORATION	E
LAURASIA RESOURCES LIMITED	C
LEISURE WORLD NURSING HOMES LTD.	A
LUMONICS INC.	E
LUXOR RED LAKE MINES LIMITED	A B
M.T.S. INTERNATIONAL SERVICES INCORPORATED	E
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MASSEY-FERGUSON LIMITED	E
MDS HEALTH GROUP LIMITED	C E
MELROSE EXPLORATIONS LTD.	C
MERCIER EXPLORATIONS LIMITED	A B
MICC INVESTMENTS LIMITED	E
MIDDLE AGE CRAZY	C
MIDPINES EXPLORATIONS INC.	C
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NORANDA MINES LIMITED	E
NORDAIR LTD.	E
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NU-WEST GROUP LIMITED	C E
OAKWOOD PETROLEUMS LTD.	E
OCELOT INDUSTRIES LIMITED	E

ODYSSEY INDUSTRIES INCORPORATED
 OMEGA HYDROCARBONS LTD.
 OSHAWA GROUP LIMITED, THE
 PAGE PETROLEUM LTD.
 PARK COUNTY TOWNHOUSE INVESTMENTS
 PATINO, N.V.
 PENYORK ENERGY RESOURCES INC.
 PEOPLES JEWELLERS LIMITED
 PETROFINA INC.
 PETROFLO PETROLEUM CORPORATION
 PETROL OIL & GAS COMPANY LIMITED, THE
 PETROTECH, INC.
 PHOENIX CANADA OIL COMPANY LIMITED
 PHOENIX RESOURCES COMPANY
 POCO PETROLEUMS LTD.
 PONDER OILS LTD.
 PROSOCER LIMITED
 PUBLIC STORAGE CANADIAN PROPERTIES III
 PYX EXPLORATIONS LTD.
 QCTV LTD.
 QUAKER OATS COMPANY, THE
 QUARTET ENERGY RESOURCES LTD.
 QUEBEC EXPLORERS CORPORATION LTD.
 RAMBLER OIL COMPANY
 RANGER OIL LIMITED
 REALM RESOURCES INC.
 REDPATH INDUSTRIES LIMITED
 REITMAN'S (CANADA) LIMITED
 RESOURCE SERVICE GROUP LTD.
 RILEY'S DATASHARE INTERNATIONAL LTD.
 ROXY PETROLEUM LTD.
 ROYAL BANK OF CANADA, THE
 ROYCAM COPPER MINES LIMITED
 ROYEX STURGEX MINING LIMITED
 S. B. McLAUGHLIN ASSOCIATES LIMITED
 SAN JUDAS MOLYBDENUM CORPORATION LIMITED
 SARATOGA LIMITED PARTNERSHIP, THE
 SCEPTRE RESOURCES LIMITED
 SCOTT PAPER LIMITED
 SCOTT'S HOSPITALITY INC.
 SEAGRAM COMPANY LTD., THE
 SEAWAY BASE METALS LIMITED
 SEAWAY TRUST COMPANY
 SEVEN EVERGREEN APARTMENTS
 SHADOWFAX RESOURCES LTD.
 SHAWNEE PETROLEUMS LIMITED
 SHELL CANADA LIMITED
 SHELL OIL COMPANY
 SHININGTREE GOLD RESOURCES INC.
 SILVERTON RESOURCES LTD.
 SIMPSONS-SEARS LIMITED
 SKLAR MANUFACTURING LIMITED
 SLATER STEEL INDUSTRIES LIMITED
 SOBEYS STORES LIMITED
 ST. FABIEN EXPLORATIONS INC.
 ST. LAWRENCE CEMENT INC.
 ST. LUCIE EXPLORATION COMPANY LIMITED

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STANDARD TRUSTCO LIMITED	E
STANFORD RESOURCES LIMITED	E
STRAND OIL & GAS LTD.	E
SULPETRO LIMITED	E
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SUNCOR INC.	E
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T EATON ACCEPTANCE CO. LIMITED, THE	C
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TEAM ENERGY AND MINERALS INC.	E
TEXAS INTERNATIONAL COMPANY	E
TEXASGULF INC.	E
THUNDER BAY AMETHYST MINING COMPANY LIMITED	C
TORONTO SUN PUBLISHING CORPORATION, THE	A B
TORONTO-DOMINION BANK	E
TOTAL PETROLEUM (NORTH AMERICA) LTD.	C
TRANS CANADA GLASS LTD.	E
TRANS MOUNTAIN PIPE LINE COMPANY LIMITED	E
TRANS-WESTERN EXPLORATION, INC.	E
TRANSCANADA PIPELINES LIMITED	E
TRANSPACIFIC ASBESTOS INC.	E
TRAPPER RESOURCES LTD.	C
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TWIN GOLD MINES LTD.	A B
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GENERAL PUBLIC UTILITIES CORPORATION	C
MASSEY-FERGUSON FINANCE COMPANY OF CANADA LIMITED	C
MUTUAL LIFE OF CANADA	E
NATIONAL KINNEY CORP.	C
NORTHAIR MINES LTD.	C
PACIFIC WESTERN AIRLINES LTD.	C
POTTERS GROUP OF COMPANIES	C
PRAIRIE PACIFIC ENERGY CORPORATION	C E
RONRICO EXPLORATIONS LIMITED	A B
SILVER CHIEF MINERALS LTD.	B E
STALL LAKE MINES LIMITED	A B
STRATHFIELD RESOURCES LTD.	E
TARO INDUSTRIES LIMITED	C
TEXACO INC.	C
TIW INDUSTRIES LTD.	E
VANTAGE GROUP LIMITED	A
WALKER-HOME OIL LTD.	C
WALL & REDEKOP CORPORATION	C
WESTERN STOCKYARDS LIMITED	E

NEW ISSUE AND SECONDARY FINANCING

BEAVER ENERGY RESOURCES INC.

Receipt issued September 23, 1981 for final prospectus dated September 16, 1981 qualifying 350,000 units comprising one common share and one Series B share purchase warrant, to be offered at \$1.40 to net the Company \$437,500.

There is also a secondary offering of 50,000 common shares, the proceeds from which will not accrue to the Company.

Underwriter: Merit Investment Corporation

Promoter: Hillsdon Investments Limited
(Gerald, John & Neville Hillsdon)

CALIFORNIA CLUB MALL LIMITED PARTNERSHIP

Final receipt was issued September 29, 1981 for a prospectus dated September 23, 1981 qualifying for sale on a best efforts basis in Ontario 4,950 limited partnership units at \$2,180 (U.S.) per unit to provide proceeds to the partnership of \$9,847,035 (U.S.) before deducting expenses of issue.

Agent: Equion Securities Canada Limited

Preliminary Prospectuses Received

September 24, 1981

Braeswood Explorations Limited

Offering 300,000 common shares (without par value) at a price of 80¢ per share.

Secondary Offering: 121,450 shares

Underwriter: A.C. MacPherson & Co. Limited

Geddes Resources Limited

National Issue - Ontario

Offering 1500 units, each unit consisting of 500 common shares and 500 Class A convertible preferred shares to be issued as earned, at a price of \$5,150 per unit.

Agent: Walwyn Stodgell Cochran Murray Limited

Sydney Advanced Technology
Limited Partnership

National Issue - B.C.

Offering 10,000 limited partnership units at a price of \$1,000 per unit with a minimum individual subscription of 10 units.

Offered through registered securities dealers in Ontario.

Tretheway

National Issue - Alberta

Offering 1,900 limited partnership units at a price of \$2,916.70 per unit, with a minimum subscription of 10 units.

Agent: Imperial Securities Limited

September 25, 1981

Canadian National Railway Company

National Issue - Quebec

Offering \$ * , * % debentures (unsecured and redeemable) at a price of * and accrued interest, if any, to yield approximately * %.

Underwriters: McLeod Young Weir Limited
Greenshields Incorporated
Wood Gundy Limited
Geoffrion, Leclerc Inc.
Pemberton Securities Limited
Levesque, Beaubien Inc.

Devon Resources Ltd.

A preliminary prospectus was filed pursuant to Section 52(2) of the Securities Act.

Sandhurst

National Issue - Alberta

Offering 2,400 limited partnership units at a price of \$2,425.00 per unit with a minimum subscription of 10 units.

Agent: Imperial Securities Ltd.

September 28, 1981

Hiram Walker Resources Ltd.

National Issue - Ontario

Offering \$ * (* shares) * % cumulative redeemable retractable Class A preference shares, First Series at a price of \$25 per share.

Underwriters: Dominion Securities Ames Limited
Burns Fry Limited
Pitfield Mackay Ross Limited

September 29, 1981

Pelangio-Larder Mines, Limited

Offering 1,000,000 units, each unit consisting of one common share and one share purchase warrant at a price of * ¢ per unit.

Agent: St. Lawrence Securities Limited

September 30, 1981

Actifund Limited

Offering mutual fund shares at their net asset value plus a sales commission.

The Opimian California Vineyards Corporation

National Issue - Ontario

Offering * common shares (minimum subscription 100 shares) at a price of \$10 per share.

Agents: Walwyn Stodgell Cochran Murray Limited
McConnell & Company Limited

Renzy Mines Ltd. (No Personal Liability)

Offering to the holders of its outstanding common shares of record, rights to subscribe for additional common shares at the par value of \$1.00 each in the capital of the Company at 50¢ per share, on the basis of one additional share for every 5 shares held on the record date.

Texcan Energy & Resources Inc.

Offering 1,500,000 common shares (without par value) at a price of \$1.20 per share.

Secondary Offering: 665,000 shares

Underwriter: M. Rash & Co. Limited

Amendments Received

September 25, 1981

Investors Bond Fund

Amendment #1 dated September 15, 1981 to prospectus dated April 30, 1981.

Investors Dividend Fund Ltd.

Amendment #1 dated September 15, 1981 to prospectus dated March 12, 1981.

Investors Growth Fund of Canada Ltd.

Amendment #1 dated September 15, 1981 to prospectus dated December 12, 1980.

Investors International Mutual Fund Ltd.

Amendment #1 dated September 15, 1981 to prospectus dated January 19, 1981.

Investors Japanese Growth Fund Ltd.

Amendment #1 dated September 15, 1981 to prospectus dated March 19, 1981.

Investors Mortgage Fund

Amendment #1 dated September 15, 1981 to prospectus dated April 30, 1981.

Investors Mutual of Canada Ltd.

Amendment #1 datd September 15, 1981 to prospectus dated February 16, 1981.

Investors Retirement Mutual Fund

Amendment #1 dated Septmeber 15, 1981 to prospectus dated April 30, 1981.

Provident Stock Fund Ltd.

Amendment #1 dated September 15, 1981 to prospectus dated January 26, 1981.

SEPTEMBER 1981

REGISTRATIONS

SECURITIES

SECURITIES DEALER

Murray & Company Investment Services Ltd.,
10th Floor,
141 Adelaide Street West,
Toronto, Ontario.
M5H 3B2.
(effective September 18, 1981) New Registration

BROKER and INVESTMENT DEALER

Rasmussen, Sharp & Company Ltd.,
Suite 2018,
130 Adelaide Street West,
Toronto, Ontario.
M5H 3P5.
(effective September 29, 1981) New Registration

TERMINATIONS

SECURITY ISSUER

Arcturus Small Business Development Limited,
Suite 1400,
275 Dundas Street,
London, Ontario.
M6B 3L1.
(effective September 15, 1981) Lapsed

EXEMPT PURCHASER

Penfund Capital (No. 1) Limited,
Commercial Union Tower,
Toronto Dominion Centre,
Suite 3004,
Toronto, Ontario.
M5K 1H1.
(effective September 25, 1981) Lapsed

OTHER INFORMATION

TRANSFERS WITHIN ESCROW

KONTIKI LEAD & ZINC MINES LIMITED

<u>From</u>	<u>To</u>	<u>No. of Shares</u>
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Jean C. Gagnon in trust for Les Entreprises Biduga Ltee.	Trafalgar Resource Investments Limited	268,262
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Hillsborough Exploration Ltd. (formerly Grandroy Mines Limited)	Trafalgar Resource Investments Limited	55,912
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DISCLOSURE SECTION
COMPARATIVE STATISTICAL REPORT OF MATERIAL
FILED FOR MONTH OF AUGUST 1981

	<u>1981</u>	<u>1980</u>	January 1 - Aug. 31, 1981	January 1 - Aug. 31, 1980
Insider Trading Reports	2026	1424	15430	14552
Annual and Interim Financial Reports	448	674	4260	4419
Finance Company Reports	6	21	98	167
Take-Over Circulars	3	12	80	60
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TAKE-OVER BIDS, ISSUER BIDS

240083 B.C. Ltd.	(OFFEROR)	6I
FIRST CITY FINANCIAL CORPORATION LTD.	(OFFEREE)	6I
CDC PETROLEUM INC.	(OFFEROR)	6I
AQUITAINE COMPANY OF CANADA LTD.	(OFFEREE)	6I
MUNICIPAL FINANCIAL CORPORATION	(OFFEROR)	6I
MUNICIPAL SAVINGS & LOAN CORPORATION	(OFFEREE)	6I
TRRANS-CANADA RESOURCES LTD.	(OFFEROR)	6I
DARKHAWK DEVELOPMENT CORPORATION LTD.	(OFFEREE)	6I

NEW ISSUE AND SECONDARY FINANCING

BEAVER ENERGY RESOURCES INC.	44K
CALIFORNIA CLUB MALL LIMITED PARTNERSHIP	44K

NAMES

240083 B.C. LTD.		6I
AMPAL-AMERICAN ISRAEL CORPORATION	S.73	161B
AQUITAINE COMPANY OF CANADA LTD.		6I
ASH, HARRISON OLIVER, JR.	S.140	160B
AWIESER, MORDECAI MARKUS	S.73	161B
BEAVER ENERGY RESOURCES INC.		44K
CALIFORNIA CLUB MALL LIMITED PARTNERSHIP		44K
CANADIAN DEPOSITORY FOR SECURITIES LTD., THE		54A
CDC PETROLEUM INC.		6I
COPPER GIANT MINING CORPORATION	S.73	164B
DARKHAWK DEVELOPMENT CORPORATION LTD.		6I
DOME CANADA LIMITED	S.79	159B
FIRST CITY FINANCIAL CORPORATION LTD.		6I
HILLSDON INVESTMENTS LIMITED		44K
HILLSDON, GERALD, JOHN & NEVILLE		44K
HOME HARDWARE STORES LIMITED	S.73	167B
LINK HARDWARE STORES LTD.	S.73	167B
LOEWENSTINE, HAROLD, JR.	S.140	160B
LONG LAC MINERAL EXPLORATION LIMITED	S.73	164B
LONG LAC MINERALS LIMITED	S.73	164B
MADRIGAL FUNDING	S.73	169B
MUNICIPAL FINANCIAL CORPORATION		6I
MUNICIPAL SAVINGS & LOAN CORPORATION		6I
NATIONAL PETROLEUM LTD.	S.73	169B
PELED, HILLEL	S.73	161B
SILVERSTACK MINES LTD.	S.73	164B
THOMPSON-BOUSQUET LTEE, LES MINES D'OR	S.73	164B
TORONTO STOCK EXCHANGE, THE		54A
TRANS-CANADA RESOURCES LTD.		6I

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Ontario
Securities
Commission

OSC Bulletin

9TH OCTOBER, 1981

VOLUME 2 #13/81

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DECISIONS, ORDERS AND RULINGS

IN THE MATTER OF THE SECURITIES ACT, 1978
S.O. 1978, CHAPTER 47 AND AMENDMENTS THERETO

AND

IN THE MATTER OF ROYAL TRUSTCO LIMITED,
KENNETH ALAN WHITE AND JOHN MERTON SCHOLES

ORDER
(Section 124(1))

UPON the Ontario Securities Commission (the "Commission") on November 25, 1980, having issued a Notice of Hearing pursuant to section 124(2) of The Securities Act, 1978, S.O. 1978, c.47, as amended (the "Act"), to determine whether it should make an order pursuant to section 124(1) of the Act that any or all of the exemptions contained in sections 34 and 88 of the Act do not apply, or upon what terms and conditions such exemptions should continue to apply to Royal Trustco Limited ("Royal Trustco"), Kenneth Alan White ("White") and John Merton Scholes ("Scholes");

AND UPON having heard the evidence adduced at the hearing and the submissions of counsel for the Commission staff and for the respondents;

AND UPON the Commission having given reasons dated as of October 7, 1981, for its decision herein;

AND UPON having considered the written submissions as to penalty by counsel for the Commission staff and for the respondents;

AND UPON having formed the opinion that the making of this order is in the public interest;

IT IS ORDERED pursuant to section 124(1) of the Act that:

1. The exemptions contained in section 34(1) of the Act shall not apply to White for a period of 60 days commencing Monday, October 19, 1981;

2. The exemptions contained in section 34(1) of the Act shall not apply to Scholes for 30 consecutive days following Sunday, October 18, 1981; and
3. No sanction shall be imposed against Royal Trustco.

DATED at Toronto this 8th day of October, 1981.

"Henry J. Knowles"
"R.T. Morgan"
"E.S. Miles"
"Geddes M. Webster"

"Harry S. Bray"
"W.A. Simonton"
"Stuart Thom"

REASONS, DECISIONS, ORDER RULINGS

In the matter of the Securities Act, 1978 S.O. 1978, Chapter 47,
and amendments thereto:

- and -

In the matter of Royal Trustco Limited, Kenneth Alan White and John
Merton Scholes.

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2. SUBMISSIONS OF THE RESPONDENTS
3. COMMISSION STAFF REPLY ARGUMENT
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IN THE MATTER OF The Securities Act,
1978, S.O. 1978, Chapter 47, and
amendments thereto;

- and -

IN THE MATTER OF Royal Trustco Limited,
Kenneth Alan White and John Merton
Scholes

COMMISSION STAFF ARGUMENT

ONTARIO SECURITIES COMMISSION

IN THE MATTER OF The Securities Act,
1978, S.O. 1978, Chapter 47, and
amendments thereto;

- and -

IN THE MATTER OF Royal Trustco Limited,
Kenneth Alan White and John Merton
Scholes

COMMISSION STAFF ARGUMENT

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INTRODUCTION

Pursuant to a Notice of Hearing dated the 25th day of November, 1980 a hearing was held before the Ontario Securities Commission (hereinafter referred to as the "Commission") on January 15th, 16th, 19th and 20th, 1981 to consider whether, in the public interest, the Commission should order, pursuant to Section 124(1) of the Ontario Securities Act, 1978, S.O. 1978, c. 47 (hereinafter referred to as the "Act") that any or all of the exemptions contained in Sections 34 and 88 of the Act do not apply, or upon what terms and conditions such exemptions should continue to apply to Royal Trustco Limited (hereinafter referred to as "Royal Trustco"), Kenneth Alan White (hereinafter referred to as "White") and John Merton Scholes (hereinafter referred to as "Scholes") by reason, inter alia, of the following allegations (set out in the Notice of Hearing):

"3. Subsequent to the public announcement of the Bid on August 27, 1980, Royal Trustco, White and Scholes set out to defeat the Bid by:

(a) inducing or attempting to induce, either directly or indirectly, various persons and companies to, inter alia:

(i) purchase shares of Royal Trustco in the open market during the currency of the Bid and not tender such shares pursuant to the Bid;

- (ii) hold shares of Royal Trustco then in their possession and not tender such shares pursuant to the Bid; and
- (iii) make a competing take-over bid; and
- (b) causing shares of Royal Trustco to be purchased for the benefit of the Royal Trust Company Pension Fund.

4. On or about the 5th day of September, 1980, the Directors of Royal Trustco approved a Directors' Circular to be sent to the shareholders of Royal Trustco, which Directors' Circular, to the knowledge of White and Scholes, did not sufficiently disclose the information prescribed by Form 32 of the Regulation under the Act, as required by Section 165 of that Regulation, in that the Circular failed to disclose fully:

- (a) the nature and extent of the actions being taken by Royal Trustco management to oppose the Bid, and
- (b) the fact that after encouragement by Royal Trustco management, certain persons or companies had purchased shares of Royal Trustco with the intention of not tendering such shares pursuant to the Bid or were holding shares of Royal Trustco then in their possession with the intention of not tendering such shares pursuant to the Bid.

5. White, as Chief Executive Officer of Royal Trustco, signed the certificate in the Directors' Circular at a time when he knew or ought

to have known that the said Directors' Circular was deficient as set out in paragraph 4 hereof.

6. On or about September 17, 1980, White and Scholes, both being in a special relationship with Royal Trustco, met with certain personnel of The Toronto-Dominion Bank and revealed to them, other than in the necessary course of business, certain material facts in relation to the affairs of Royal Trustco which had not been generally disclosed, including the following:

(a) that approximately 60% of the shares of Royal Trustco were owned by persons or companies who White and Scholes knew or had reason to believe would not tender pursuant to the Bid, some or all of whom were named or otherwise identified, and

(b) that Royal Trustco management was considering recommending to the Board that the dividends payable on Royal Trustco shares be increased.

8. In response to the said increase in the offering price, Royal Trustco and White caused a letter dated September 22, 1980 to be sent to the shareholders of Royal Trustco, which letter constituted a Directors' Circular that did not comply with Section 165 of the Regulation under the Act, and was further deficient in that it failed to fully disclose the facts set out in subparagraphs (a) and (b) of paragraph 4 and subparagraphs (a) and (b) of paragraph 6 hereof.

9. As a result of the foregoing allegations, shareholders of Royal Trustco were deprived of sufficient information upon which to base their investment decision whether to hold their shares, sell them on the open market or tender them pursuant to the Bid."

At the opening of the hearing the Respondents, through their counsel, admitted that paragraphs 1, 2 and 7 of the Notice of Hearing were factually correct and did not require further proof. These paragraphs provided as follows:

"(1) Royal Trustco is a reporting issuer with its registered head office in Ottawa, Ontario, and its executive office in Toronto, Ontario. White was at all material times the Chairman of the Board, President, Chief Executive Officer and a director of Royal Trustco. Scholes was at all material times Senior Executive Vice-President, Chief Operating Officer and, from September 1, 1980, a director of Royal Trustco.

(2) On or about August 29, 1980, Campeau Corporation made a take-over bid (the "Bid") for the Class A and Class B Common Shares and Series A and Series B Preferred Shares of Royal Trustco at the price of \$21.00 for each common share and \$29.93 for each preferred share.

(7) On or about September 19, 1980, Campeau Corporation increased the offering price of

the Bid to \$23.00 for each Class A or Class B
Common Share and \$32.78 for each Series A
or Series B Preferred Share."

PART I - THE FACTS

During the hearing, in addition to documentary evidence, the staff of the Commission called some 16 witnesses. The evidence, as presented by these witnesses and supplemented by the documents, is summarized in the following pages. A chronology of the main events is appended to this Argument as Schedule "A".

MEETING OF AUGUST 27TH, 1980 BETWEEN CAMPEAU AND WHITE

On August the 26th, 1980, Robert Campeau (hereinafter referred to as "Campeau"), Chairman and Chief Executive Officer of Campeau Corporation, advised William Mulholland (hereinafter referred to as "Mulholland"), then President and Chief Executive Officer of The Bank of Montreal, of the decision by Campeau Corporation to make a Bid for the outstanding shares of Royal Trustco. At the suggestion of Mulholland, (Volume I, Page 114) Campeau met on August the 27th, 1980 with White at White's summer residence in the Eastern Townships of Quebec (Volume I, Page 108). Campeau had known White for a long time (Volume I, Page 110). Campeau told White that the Campeau Corporation was going to make a take-over bid for Royal Trustco. He told him that it was not the intention of the Campeau Corporation to disrupt the management of Royal Trustco in that it did not want to get itself involved either in the fiduciary part of the trust company or in the mortgage part. Campeau said his company wanted two or three members on the Board and wanted to make a contribution towards the development of the real estate arm of Royal Trustco (Volume I, Page 110).

White stated that Royal Trustco had not been able to pierce the market very well in commercial real estate but was successful on the retail side. Campeau told White that he felt that it would be a good fit between the two organizations (Volume I, Page 110). Campeau told White that he was to remain the Chief Executive of the Corporation and could retire whenever he wanted to (Volume I, Page 111). White told Campeau that he, Campeau, may not be getting the company that he thought he would be getting as there were an awful lot of things in the company that he might not be aware of. Campeau asked if the price of \$21.00 was a good price and White agreed that it was a very good price.

White then said to Campeau "I don't see why you don't go and take over something else? Really, this is my company." (Volume I, Page 111). White further said to Campeau "I'm telling you right now I won't work for you and if this bid is successful I'm going to quit, and I really don't like you, Campeau, and I don't like Paul Desmarais and I don't like Conrad Black and I don't like Edgar Bronsman (sic). I don't like all these guys making bids for public corporations and I wish to Hell you would stay where you are and don't bother us. This is really going to complicate the Bank Act and is really not helping the French Canadian and English Canadian situation." (Volume I, Page 112). White further said "Look, I'm telling you now, that you should pull this bid." (Volume I, Page 112).

White then told Campeau that he was not going to be successful. Campeau replied that White might go out and find a White Knight who could bid more money. White then said "There isn't going to be any White Knight ... I'm going to stop that. I'm going to call my friends and I am going to lock-up fifty-one percent of this stock before you can turn around ... you may think or you may tell me money talks and really, in the end, shareholders are going to make up their minds, but I'm telling you that I have got ways to persuade these friends of mine to go along with me and they will." (Volume I, Page 113).

White then indicated that the conversation was over and escorted Campeau to the gate but before he entered his house he stated "You should pull that bid ... Pull that damn bid." (Volume I, Page 113). Campeau replied that he was not going to pull the bid and that it was going ahead and as White started to walk towards the stairs he turned around to Campeau and said "I'm getting on the phone now, and I'm getting all my team together and we are going to stop you." (Volume I, Page 114).

The above evidence of Campeau is uncontradicted and was not challenged in any way on cross-examination. In addition, as will be discussed under the "Law" section of this Argument, the failure of White and Scholes or anyone on behalf of Royal Trustco to testify leads, legally, to the inference that any evidence which they had to give would be contrary to their defence or at least would not support it.

On September 2, 1980 there was a special meeting of the Board of Directors of Royal Trustco. The Minutes show (Exhibit 11, Page 5) that at this meeting, White described his meeting with Campeau. One can assume that, at a minimum, White related to the Board all of the above conversation between Campeau and himself and that with this information in its possession the Board still decided to oppose and set aside the take-over bid of the Campeau Corporation (Exhibit 19, Page 17).

MEETINGS BETWEEN MULHOLLAND AND WHITE AND CAMPEAU

The Bank of Montreal has historically been the lead banker of Royal Trustco. Royal Trustco was founded many years ago by the Bank of Montreal its first staff was provided by people from the Bank and its first quarters were provided by the Bank. There has been a reasonably amicable relationship between the Bank and Royal Trustco over a number of years (Volume 2, Page 243).

Mulholland had known White for approximately 10 years and Scholes for 3 or 4 years. When Campeau had contacted Mulholland on August the 26th with respect to the proposed take-over bid Mulholland had indicated that he had a conflict of interest as the Bank of Montreal was both the banker for and a major shareholder of Royal Trustco. When a suggestion was made that the Bank might finance part of the take-over Mulholland responded that the Bank had a firm policy that it would not finance unfriendly take-over bids of companies with whom the Bank had a substantive banking relationship (Volume 2, Pages 245 and 246).

After the meeting between White and Campeau on the morning of August the 27th White met with Mulholland in the afternoon of the same day at Mulholland's office in Montreal. Mulholland advised White that the Bank had slightly under 10% of Royal Trustco, which was the maximum the Bank was allowed under the Bank Act. White indicated to Mulholland that the Bank Act allowed a corporation to own slightly over 10% for a limited period of time and requested the Bank to consider increasing its holdings (Volume 2, Pages 257 and 258).

Mulholland advised both Campeau and White on August the 27th that the Bank was not minded to tender its shares. (Volume 2, Pages 247 and 248). While Mulholland did attempt to act as a mediator between Royal Trustco and Campeau, the Bank's position was clear throughout to both Campeau and White - (i.e.) that it owned approximately 10% of the shares and that it would not be tendering under the bid (Volume 2, Pages 244, 247, 248, 258 and 281).

When Mulholland discovered that the Bank did not, in fact, own slightly under 10% he gave instructions, on the morning of August the 28th, that sufficient shares should be purchased to bring the Bank up to approximately 10%. Between August the 28th and September the 3rd, 1980 the Bank of Montreal purchased the common share equivalent of 519,043 shares at an approximate average price of \$20.00 or a capital outlay of slightly in excess of 10 million dollars (Exhibit 2, Pages 1 and 6).

The Bank was also actively engaged in assisting Royal Trustco to defeat the Bid. On either August 28th or August 29th Mulholland telephoned Thomas Galt, Chairman of the Board of Sun Life and a director of the Bank of Montreal, to inquire as to whether he would be available for a special meeting of the Board of Directors of the Bank of Montreal which was being called to discuss possible defence manoeuvres to the Campeau take-over bid. One of the defences explored by the Bank was the issuing of convertible debentures. There were numerous meetings with Royal Trustco officials with respect to these defence tactics. Austin Taylor was aware of these meetings but was not part of them (Volume 4, Pages 545 - 546). The Bank was also mentioned as the source of funding for a possible White Knight approach of Canwest Development Corporation (Exhibit 19, Page 42). While Mulholland would not help Campeau against Royal Trustco he, apparently, would finance a White Knight to defeat Campeau.

Perhaps the clearest indication of the position of the Bank of Montreal can be gathered from the comments of Mulholland when asked whether the Bank had tendered under the first bid. He said that there had been a "blunder in the securities cage" and the Treasurer had called him on the evening of the expiry of the first bid "in a state of high excitation and dismay" to advise that the Bank had tendered some shares. He said that the Bank got the shares back shortly thereafter and that the blunder and tendering was "a very painful subject for me." (Volume 2, Page 275).

With the exception of the above referred to error, the Bank of Montreal did not tender either under the first or the second bid despite the fact that Mulholland had told Campeau that the \$21.00 price was, in his opinion, excellent (Volume I, Page 115). It is clear throughout that the Respondents knew or had reason to believe that the Bank of Montreal would not tender its close to 10% of the Royal Trustco shares under the Bid.

ACTIONS OF ROYAL TRUSTCO
IMMEDIATELY SUBSEQUENT TO
MEETING BETWEEN CAMPEAU
AND WHITE

Immediately subsequent to the meeting between Campeau and White the Respondent Scholes contacted Austin George Taylor (hereinafter referred to as "Taylor"), President, Chief Executive Officer and Chairman of the Board of McLeod Young Weir (Volume 4, Page 536). McLeod Young Weir was retained on August the 27th although the formal retainer letter was not dated until September the 5th, 1980 (Exhibit 11, Volume 4, Page 537). There was a meeting on the evening of August 27th between McLeod Young Weir and Executives of Royal Trustco, excluding White, who was on his way back from Montreal. In the days following there were meetings on at least a daily basis to discuss

strategies and to bring the various participants in the defence strategies up-to-date on where matters stood. Messrs. White and Scholes were at most if not all of these meetings and other Senior Officers of Royal Trustco, including Ewart Wickens and Roger Otley, were also present.

None of the defence strategies were revealed via the Directors' Circular or otherwise to the shareholders at large. Some of the strategies were revealed to either existing shareholders or potential shareholders with a view to eliciting their support in the particular strategy. Some of the strategies which were discussed but which were not, for one reason or another, proceeded with were merger, issuance of treasury shares, and an unconditional offer in competition to the Campeau offer. The latter stratagem was described as Plan A and its variation Plan A-1. (Volume 4, Page 544).

Austin Taylor, in his testimony, described some of the strategies

1. MERGER

Taylor's advice was that there was neither the time nor any obvious candidate to facilitate a defence by way of a merger. He indicated that he subsequently became aware that there were conversations with respect to a merger but he was not part of these conversations. He does know that there were discussions between the Bank of Montreal and Royal Trustco. The Plan was to the effect that Royal Trustco would purchase a subsidiary of the Bank of Montreal called Bankmont. Bankmont would be purchased through the issuance of preferred shares to the Bank of Montreal. These discussions were towards the latter part of August and the early part of September.

(Volume 4, Pages 545 and 546).

2. TREASURY SHARES

Another topic that was discussed was the possible issuance of treasury shares. Taylor also felt that this was not a practical or an operable alternative. He said that he was aware of conversations between officers of Royal Trustco and a member of Bell Gouinlock. He felt that this plan was dropped also. (Volume 4, Pages 546 and 547).

3. PLAN A

Plan A (Exhibit 9) envisaged the formation of a syndicate which would be made up of major institutions, corporations, pension plans, and other investors which would purchase all of the common shares of Royal Trustco. This was to be done through a circular bid. Plan A took shape on August 30th, 1980 at a meeting attended by White and Scholes along with other officers of Royal Trustco. McLeod Young Weir drew up an initial list of participants in Plan A (Exhibit 16). This list was discussed with the Respondents. Taylor subsequently drew up a second list (Exhibit 17). Exhibit 17 was made up within twenty-four hours of Exhibit 16.

Exhibit 17 is instructive as it shows the areas of responsibility and who was going to make the contacts. In a couple of cases, it indicates that contact had already been made by either the Respondents or officials of Royal Trustco. Taylor testified that at least the following organizations were contacted with respect to Plan A:

- (a) Toronto-Dominion Bank
 - (b) Noranda
 - (c) Chieftain Developments
 - (d) Camp Investments
 - (e) Canwest
 - (f) Central and Eastern
- (Volume 4, Pages 554 and 555).

Taylor said that Plan A was also shown to Credit Foncier. He said that Credit Foncier had expressed an interest in purchasing 5 to 10% of Royal Trustco. Officials of Credit Foncier met with Messrs. White and Scholes on the early afternoon of September 2nd in Toronto to discuss the purchase by Credit Foncier of shares in Royal Trustco. Taylor did not know the outcome of that meeting although the officials of Credit Foncier later attended upon the offices of McLeod Young Weir to indicate their desire to purchase shares. It was at this time that they were shown Plan A by Taylor. They showed no interest in Plan A but continued to evince an interest in the purchase of Royal Trustco shares. They wanted to know who Taylor had been purchasing for on September 2nd and Taylor eventually advised them that it was the Toronto-Dominion Bank who had been doing the purchasing (Volume 4, Pages 557 to 559).

Taylor also said that he contacted Camp Investments with respect to Plan A. He said that he had contacted Camp on August 31 and was aware that at that time there

had already been conversations between Royal Trustco and Camp. The subject of that conversation was "sourcing funding". Taylor also met with officials of Camp as well as with officials of Central and Eastern with regard to the two firms becoming a joint White Knight. The meeting between the parties lasted three or four hours. As events transpired, the White Knight approach was not pursued with Camp and Central and Eastern (Volume 4, Page 574 to 576).

Taylor also said that he discussed Plan A with Canwest. However the main conversation with Canwest revolved around the question of whether it would become a possible White Knight. White and Scholes were aware of the conversations between Canwest and Taylor but White rejected the White Knight approach and Taylor therefore discontinued his conversations with Canwest. The reason for White's rejection of Canwest as a White Knight are discussed infra at page 56.

PURCHASE OF SHARES BY ROYAL
TRUST PENSION FUND

One of the first strategies which the Respondents actually put into operation was the causing of shares of Royal Trustco to be purchased for the benefit of the Royal Trust Company Pension Fund. This strategy, likewise, was never revealed to the shareholders. On the morning of August 28th, 1980, the day following the public announcement of the bid, the Respondents requested McLeod Young Weir, their fiscal agents, to purchase certain shares

of the company on behalf of the Pension Fund. On August the 28th 252,110 common shares and 33,600 preferred shares were purchased by McLeod pursuant to instructions given to them by the Respondents. The following day, August the 29th, a decision was made to purchase additional shares for the Pension Fund and McLeod received from the Respondents an order to purchase an additional 100,000 common shares. All of the orders of the Respondents were filled by McLeod and by Friday, August the 29th, 1980, before the actual mailing of the Campeau offering documents to the shareholders, the Respondents had made a capital outlay of slightly in excess of 8 million dollars in order to purchase shares for the Pension Fund (Exhibit 2, Pages 4 and 5).

As will be seen later, a decision was made to not hold the shares in the Pension Fund and, instead of selling them back into the market, the Respondents found a friendly buyer. It is clear that the Respondents would not sell the shares to someone who they had reason to believe, would tender under the bid. They obviously would sell the shares to a friend who they were confident would not tender to Campeau. Like the purchase, the sale of the shares in question to the friend was never revealed to shareholders.

THE "FRIENDS" APPROACH

This was the basic strategy that was decided upon by the Respondents to defeat the Campeau take-over bid. The existence of this strategy and the implementation of this strategy was never revealed to shareholders although, as already stated, (supra, Page 6) White indicated to Campeau at the August 27th meeting that "I'm going to call my friends and I am going to lock-up fifty-one percent of this stock before you can turn around ... I'm telling you that I have got ways to persuade those friends of mine to go along with me and they will."

There is little doubt that White and Scholes had tremendous leverage with their friends. As indicated by Mr. Robertson in his opening, Royal Trustco owns or administers 25.8 billion dollars in assets of which 18.7 billion dollars are trust assets under administration; 6.7 billion dollars are funds held for depositors of various kinds and 0.421 billion dollars are ordinary corporate assets. Messrs. White and Scholes, as the chief executive officers of Royal Trustco, are in a position to determine, in a general sense, with whom the trust company does business. Most of the witnesses at the hearing spoke of the business relationship between their corporation and Royal Trustco. In several of the contacts made by the Respondents, the question of past, present and future business was discussed. Therefore, a request for assistance from Canada's largest trust company in thwarting a take-over bid by the Campeau Corporation is something which would, of necessity, be seriously considered by anyone who wished to continue their business relationship with Royal Trustco.

The main defence strategy decided upon by Royal Trustco was to have the Respondents, White and Scholes, as well as other senior officers of the company, approach various individuals and corporations with a view to inducing those corporations either to purchase shares on the open market and not tender or inducing them not to tender shares already in their portfolios. While the individuals and corporations approached were aware that they were not the only "friends" contacted, the Respondents did not make this defence strategy known to the shareholders at large. The approaches to friends included the following:

(A) SUN LIFE ASSURANCE COMPANY OF CANADA: Prior to August 27, 1980

Sun Life Assurance Company of Canada (hereinafter referred to as "Sun Life") owned 275,133 common shares and controlled an additional 50,400 shares of Royal Trustco (Exhibit 2, Page 4; Volume 1, Pages 162 and 163). On August the 27th, John Duncan McNeil (hereinafter referred to as "McNeil") Vice-President, Securities Investment, of Sun Life received a telephone call from Ewart Wickens, Executive Vice-President of Royal Trustco. McNeil had known Wickens for a period of time and they had served together on the Board of Directors of a particular company. Wickens asked McNeil whether Sun Life would be sympathetic or receptive to an approach from Royal Trustco (Volume 1, Pages 162 and 163).

On August the 28th, Scholes telephoned Mr. J. McCarthy, Senior Vice-President, Investments, of Sun Life to set up a convenient time for a meeting (Volume 1, Page 165). On August the 29th, 1980 Scholes came over to Sun Life and met with, inter alia, McNeil and Thomas Galt (hereinafter referred to as "Galt"), the Chairman and Chief Executive Officer of Sun Life.

Scholes indicated that Royal Trustco was going to be opposing the bid and he expressed the hope that Sun Life would not tender its stock. He then asked whether Sun Life would consider buying additional stock. Galt indicated to Scholes that Sun Life would not be tendering under the bid but at that stage was non-committal about additional purchases and indicated that they would think about it. Scholes then asked if they were going to buy stock how much would they buy. McCarthy advised him of the size of the Sun Fund with an indication that if the Sun Life holdings of Royal Trustco were in the range of somewhere between 29 and 50 million dollars, there would be nothing unusual about that. There was a discussion with respect to the buying of additional shares for the purpose of not tendering under the bid (Volume 1, Page 168).

After Scholes left, the Sun Life executives made a decision to buy up to three-quarters of a million shares to bring their total holdings up to approximately one million shares. This decision to purchase was made on Friday, August the 29th, after the Scholes' visit. The company placed an order to purchase shares before the market opened on Tuesday, September the 2nd (Exhibit 2, Pages 1, 3 and 4; Volume 1, Pages 168 and 169).

On September the 2nd, Wickens called McNeil again about 10 minutes after the market opened and indicated that he knew that Scholes had visited with Sun Life on Friday. He asked whether Sun Life had made up its mind about purchasing shares. He was told that Sun Life had made a decision. Wickens then indicated that the Royal Trust Pension Fund had, the previous week, bought shares of Royal Trustco. However the management of Royal Trustco over the weekend had concluded that it was "unwise" for the Pension Fund to buy shares and asked if Sun Life wanted the shares (Volume 1, Page 171). The essence of what Wickens was suggesting was that there would not be a trade or a cross on the Exchange but that Sun Life would pick up the contracts from Royal Trustco. Sun Life had some concerns about the legality of the transaction but eventually McNeil phoned Wickens back and the deal was concluded. The cheque for the payment of the shares was sent to Royal Trustco. There was a letter from Sun Life to Royal Trustco dated August the 28th with respect to the opening of the account but this letter was back-dated and was signed and sent after September the 2nd (Volume 2, Pages 200 and 201).

MEETING OF BOARD OF DIRECTORS
OF SUN LIFE ON SEPTEMBER THE
3RD, 1980

On Tuesday, September the 3rd. 1980 there was a meeting of the Board of Directors of Sun Life where consideration was given to the purchase of shares of Royal Trustco. There are four interlocking directors between Royal Trustco and Sun Life. They are:

1. Alistair M. Campbell - Chairman of the Executive Committee of Sun Life;
2. Eric L. Hamilton;
3. Angus McNaughton of Genstar and;
4. Marshall Williams of Calgary Power (Exhibit 6, Volume 2, Pages 217, 221, 222 and 223).

These directors were all present at the meeting on September 3rd. Also present when the question of the purchase of Royal Trustco shares was discussed were J. Peter Gordon, Chairman and Chief Executive Officer of the Steel Company of Canada Limited, Alfred Powis, Chairman and President of Noranda Mines Limited and Ian D. Sinclair, Chairman and Chief Executive Officer of Canadian Pacific Limited.

Mr. Galt advised the Board of Directors of the number of shares which Sun Life held at the time when the bid came in, as well as the number of shares that had been purchased since the bid had been made public. He indicated that the company tentatively had thought of going up to 5% (Volume 2, Page 223). After discussion, the Board of Directors passed a resolution (Exhibit 7) expressing approval of the general idea of buying more shares and putting an outside limit of 10% (Volume 2, Page 224).

Immediately after the Board meeting on September the 3rd, Galt called Scholes and told him that Sun Life would be buying more shares and that the target was 5% (Volume 2, Page 226). By the evening of September the 3rd, 1980 Scholes was aware of the holdings of Sun Life, of their target of 5% and of the fact that they would not be tendering under the bid.

Subsequent to the Sun Life Board of Directors meeting, Canadian Pacific Limited and Noranda Mines Limited purchased shares of Royal Trustco (Exhibit 2, Pages 1, 12, 13 and 14).

(B) NORANDA MINES LIMITED: Powis testified that there was a substantial relationship between Noranda and Royal Trustco as various Royal Trustco accounts held a total of approximately 6 million shares of Noranda or about 5% of its total shareholdings. Prior to August 27th, 1980 Noranda had owned no shares of Royal Trustco. As indicated, Powis was present at the Sun Life Board meeting on September 3, 1980. Subsequent to the meeting Powis began to consider buying some shares. However, prior to making any purchases, he was contacted by White. The telephone call came on Sunday, September the 7th, at Powis' country residence. White inquired as to whether Noranda had any interest in purchasing Royal Trustco shares. Powis advised White that Noranda was very friendly with Royal Trustco and would not acquire a substantial block of their shares unless Royal Trustco would welcome it. White indicated that Royal Trustco would welcome the purchase (Volume 3, Pages 457, 458, 459 and 460).

When Powis indicated an interest in purchasing shares White stated that he would have Austin Taylor of McLeod Young Weir get in touch with him. Shortly thereafter, Powis was contacted by Taylor who came over to

Powis' house. There was a discussion between Taylor and Powis about the likely success or failure of the Campeau bid as well as the value of the Royal Trustco shares. Powis gave Taylor the impression on Sunday that Noranda would consider favourably a purchase of shares.

At the meeting with Taylor, Powis also asked if there were other friends of Royal Trustco making similar investments. Taylor responded that it was in Noranda's interest and certainly in McLeod's interest for Taylor not to disclose the activity of anyone else, but did indicate that other friends were buying in the market. Powis was aware that McLeod was advising Royal Trustco with respect to the bid and was, according to Taylor, also aware that McLeod had been active in the market place (Volume 4, Page 572).

The following morning, September 8, 1980, Taylor received a telephone call from Powis at which time he was given an order to purchase 250,000 shares. Subsequent orders were received from Noranda such that by September 11, 1980, the company had purchased the equivalent of 500,000 common shares at an approximate average price of \$20.00 for an investment of 10 million dollars (Volume 4, Pages 573 and 574; Exhibit 2, Pages 1 to 14).

Powis made White aware of the Noranda purchases and also of the fact that Noranda would not be tendering under the Bid (Volume 3, Pages 464 and 466).

(C) COMMERCIAL UNION ASSURANCE CO. LTD.: On August 27th, 1980, Commercial Union owned 95,833 shares of Royal Trustco (Exhibit 2, Page 11). White is the Chairman of the Board and Chairman of the Investment Committee of Commercial Union. On August 28 or 29th, 1980, Robin Denman, Investment Manager with Commercial Union, received a telephone call from Roger Otley of Royal Trustco, who advised Denman that he, Otley, was calling a number of

shareholders to find out what their reaction to the bid was. Denman testified that he had responded to Otley in very strong terms. He said that, after his comments, neither Mr. Otley nor Royal Trustco would be under any illusions as to the fact that Commercial Union would not be tendering their shares. (Volume 4, Pages 529 - 530).

Over the Labour Day weekend, Denman became concerned about Commercial Union's position. It had had a very long relationship with Royal Trustco. The trust company was custodian of their securities. In addition, there had been day to day dealings over the years. Denman testified that he thought that the bid might be very close and that if Commercial Union increased its holdings to about 1%, it might be sufficient to help Royal Trustco defeat the bid. A decision was therefore made to increase the holdings of Commercial Union to 1%. Denman contacted White on September 2, 1980, and told White what he was thinking of doing, namely that Commercial Union planned on at least doubling its holdings as it looked as though it would be a tough fight and the 1% of Commercial Union might be sufficient to help Royal Trustco defeat Campeau (Volume 4, Pages 530 - 532).

On September 3rd, Commercial Union purchased 110,000 common shares at an average price of approximately \$20.50 for an investment at that stage of approximately two and a quarter million dollars (Exhibit 2, Pages 1 - 11). In order to purchase the shares, it sold off its investment in the Bank of Nova Scotia. The fact that the Bank of Nova Scotia was financing Campeau played a part in Commercial Union's decision to sell the stock. On September 9, 1980 the details of the purchase were reported to a meeting of the Investment Committee at which White was present. Commercial Union did not tender under either the first or the second bid. It was clear to the Respondents throughout of the intended posture of Commercial Union (Volume 4, Pages 533 and 534).

(D) CANADIAN IMPERIAL BANK OF COMMERCE: As of August the 27th the Commerce did not hold any shares of Royal Trustco and had not held any shares within, at least, the last few years. The business relationship between the Commerce and Royal Trustco is very extensive. Russell Edward Harrison (hereinafter referred to as "Harrison"), Chairman and Chief Executive Officer of the Bank had known White for fifteen years. They were personal friends.

On Friday, August the 29th, 1980 Harrison received a call at his home from White. He testified that it was not usual for White to call him at home. He testified that the call was of a business nature as White alluded to the Campeau bid and inferred that he, White, would appreciate any help which the Bank would be able to give him. Harrison understood White to mean that Royal Trustco wanted the Bank to make an investment in Royal Trustco shares. (Volume 3, Pages 470 to 473).

The Bank initially deferred its decision to buy. However, on Friday, September the 12th Ewart Wickens of Royal Trustco contacted Clarence Cole, Executive Vice-President of the Bank. Wickens and Cole were personal friends and had known each other for approximately fifteen years. Wickens initially contacted Cole by telephone on the 12th and then visited him the same day. During that visit Wickens expressed his and Royal Trustco management's concern over the take-over bid. Cole knew that Wickens was reflecting to him the trust company's desire that the Bank remain friendly to Royal Trustco. After the meeting Cole immediately contacted Harrison and informed him of the visit by Wickens. They then talked about the relationship which the Bank had with the trust company and formed a conclusion that the Bank should buy some stock. A decision was made to purchase up to 10 million dollars worth of stock. The purchases commenced on Monday, September the 15th and were completed on Friday, September 19th by which

time the Bank had accumulated 516,000 common shares at an approximate investment of 10 million dollars (Volume 3, Pages 487, 490 and 501; Exhibit 2, Pages 1 and 15).

On September the 17th, 1980 Wickens visited Cole again. At that time he gave Cole an up-date and expressed some confidence that the bid would fail. The Commerce did not purchase the shares for the purpose of tendering as the bid by Campeau was being assisted by a competitive bank and in addition there was the very close business relationship which would have been in jeopardy had Campeau been successful. The purchases were made to protect the business relationship. White was aware of the purchases made by the Bank as at some stage White called Harrison to express his appreciation for the Bank's help. Harrison could not pin point the date but imagined it was after the failure of the second bid. White obviously would not have made the call unless he was aware of the Bank's purchases.

(Volume 3, Pages 477, 479, 480 and 482). It can also reasonably be inferred that when Wickens visited Cole on the 17th he knew that the Bank had made purchases as the subject matter discussed was the success or the failure of the Campeau bid as opposed to a request for the Bank to make any purchases.

(E) TORONTO-DOMINION BANK: On August 27th, 1980 the Toronto-Dominion Bank owned no shares of Royal Trustco and had not held such shares at least within the recent past. (Volume 2, Page 338). After the public announcement of the bid, Ewart Wickens telephoned J.A. Boyle, President of the Bank and told Boyle that he wanted to discuss the bid. Boyle said that Wickens should speak to Ernest C. Mercier, Vice-President and General Manager of National Accounts. Wickens followed up on this suggestion and a meeting was held in Mercier's office on the morning of Friday, August 29th, 1980.

At the meeting, Wickens told Mercier and D.R. Simmons, another official of the Bank, of the displeasure of Royal Trustco management at the offer and of its intention to fight the takeover. There was then a general discussion of the techniques of fighting takeover bids. Wickens then asked if the Bank would consider buying stock. (Volume 2, Page 304). There was a discussion in general terms of the current ownership of Royal Trustco stock and Wickens revealed that the Bank of Montreal owned approximately 10% of the shares. There was also a discussion as to whether the Toronto-Dominion Bank would provide after-tax financing for persons who wanted to buy Royal Trustco shares. Mercier indicated that the Bank, because of its tax position, did not have any after-tax financing available (Volume 2, Pages 304 and 305).

Following the meeting with Wickens, Mercier and Simmons met with Richard M. Thomson, Chairman and Chief Executive Officer of the Bank, J.A. Boyle, the President, and Timothy S. Hale, Portfolio Analyst. Mercier related to the executives of the Bank Wickens' request that the Bank buy shares. A general discussion followed as to the ways in which the Bank could become involved. Two types of involvement were discussed, namely providing financing for purchasers and the purchase of shares by the Bank itself (Exhibit 6; Volume 2, Page 311).

On Sunday, August 31st, 1980, Austin Taylor of McLeod Young Weir telephoned Richard Thomson and requested a meeting. Thomson called Alan Bond Hockin, Executive Vice-President of Investments of the Toronto-Dominion Bank, and Hale to a meeting at his (i.e. Thomson's) house. Taylor indicated that he was acting on behalf of Royal Trustco. He presented a proposal (Plan A) (Exhibit 9). According to this proposal, a syndicate of Canadian institutional investors would be formed to make a competing bid for Royal Trustco at \$21.00 a share. The offer would be unconditional and was therefore

viewed as being preferable to Campeau's \$21.00 conditional bid. Taylor indicated to the Bank executives that as of August 31st, in the opinion of Royal Trustco, approximately six million of the 19.6 million fully diluted outstanding shares would not be tendered under the Campeau \$21.00 offer. He mentioned the Bank of Montreal as being around 10% but he did not specify who the remaining 20% were. Taylor requested the participation of the Toronto-Dominion in Plan A.

There were reservations expressed by the Toronto-Dominion Bank with respect to Plan A and no commitment was made to participate in the Plan but there was not a definite negative expressed at that time. The impression however was given to Taylor that the Bank was not happy with the Plan. After a meeting of approximately an hour and a half, arrangements were made between Hockin and Taylor to meet again the following morning. (Exhibit 8; Volume 2, Pages 317 and 318).

After Taylor left, the executives of the Toronto-Dominion Bank discussed the Plan presented by McLeod Young Weir and felt that a competing bid had several disadvantages for the Toronto-Dominion and for Royal Trustco in that it would not be put into action fast enough to take advantage of trading on Tuesday, September 2nd. It could also leave the Toronto-Dominion Bank in a syndicate, the interests of which might not continue to be common in the longer term. It might itself turn into a vehicle for taking over Royal Trustco. (Exhibit 8; Volume 2, Page 319).

Thomson proposed that the Toronto-Dominion Bank buy a 10% interest in Royal Trustco commencing on Tuesday, September 2nd. Thomson then put in a call to G. Donald Love, President and Chairman of the Board of Oxford Development Group Limited. Oxford had recently gone through a going private transaction financed by the Toronto-Dominion Bank resulting in

the fact that the Bank owned 40% of the equity in the company with the remaining 60% being held by Love and his holding companies. At this time the remaining 60% was pledged to the Bank. There were five directors, two of whom were officers of the Toronto-Dominion Bank, namely Mercier and Ron Ruest (Volume 2, Page 340).

Thomson asked Love if he was aware of the Campeau bid and whether, in light of Oxford's competitive position with Campeau, Oxford had considered taking a position in Royal Trustco. Thomson and Love then discussed their mutual concern that a financial institution the size of Royal Trustco should preferably remain widely held in public hands. Love indicated to Thomson that he would take a 10% position in Royal Trustco. Thomson indicated to Love that he would offer the banking services of Toronto-Dominion Bank to enable Love to purchase the stock. There was a commitment in principle by Thomson to provide financing for the Oxford acquisition. Thomson also indicated to Love that the Bank was considering making a purchase of up to 10% (Exhibit 8; Volume 2, Page 322).

SEPTEMBER 1, 1980

On Monday morning, September 1, 1980 a meeting was held at the offices of McLeod Young Weir. The meeting lasted from approximately 9:00 a.m. to 12:00 noon. At the meeting on behalf of the Toronto-Dominion Bank were Messrs Thomson, Boyle, Hockin, Hale and R.G. Bumstead, counsel to the Bank. On behalf of McLeod Young Weir were Austin Taylor, Howard Beck and Gar Emerson. McLeod Young Weir were acting on behalf of Royal Trustco and Royal Trustco were paying the fees and disbursements of its counsel. (Exhibit 11). The meeting was held to ascertain whether the Toronto-Dominion Bank purchasing Royal Trustco stock prior to the formation of the proposed syndicate would preclude the Toronto-Dominion Bank from subsequently joining the syndicate.

Thomson indicated that the Toronto-Dominion Bank intended to directly purchase 10% of Royal Trustco and that Oxford Development had indicated an intention to purchase 10%. There then was a lengthy discussion of the requirements of provincial and federal securities legislation. There were discussions as to the strategy of purchasing up to 10% for the Toronto-Dominion Bank and up to 10% for Oxford. At the conclusion of the meeting, it was determined that McLeod Young Weir would act on behalf of the Toronto-Dominion Bank for buying up to 10% of Royal Trustco and the additional amount of up to 10% for Oxford (Exhibit 8; Volume 2, Page 325).

A subsequent meeting was held that afternoon at the request of McLeod Young Weir. Present at that meeting were A.B. Hockin, R.G. Bumstead and T.S. Hale, on behalf of the Toronto-Dominion Bank, as well as Austin Taylor, Jim Pitblado (of Dominion Securities), Howard Beck, Gar Emerson and several McLeod Young Weir underwriting personnel. The meeting lasted about two hours. McLeod Young Weir indicated to the Toronto-Dominion Bank that McLeod did not want to "handle an order for in excess of 10% of Royal Trustco stock". McLeod and its counsel suggested that there should be no appearance of two parties "acting in concert". Therefore, McLeod would only handle one of the two orders (Exhibit 8; Volume 2, Pages 326 to 328).

Later the same afternoon Messrs. Hale, Bumstead and Hockin met at Hockin's house. Thomson was contacted and apprised of McLeod's position. It was agreed that McLeod's wishes would be respected. It was decided to advise Love of the position of McLeod Young Weir. Love was contacted and it was suggested that the Toronto-Dominion Bank order should be placed first. Love agreed. (Exhibit 8, Volume 2, Page 329). On the evening of September 1st, 1980 Alan Hockin gave to Austin Taylor an order on behalf of the Toronto-Dominion Bank to purchase up to 10% of the outstanding

shares of Royal Trustco. This order was filled by McLeod largely on September 2nd, 1980. Between September 2nd, 1980 and September 8th, 1980 the Toronto-Dominion Bank purchased 1,611,417 common shares and 239,990 preference shares of Royal Trustco at an approximate capital outlay of 40 million dollars. The Bank had an aggressive bidding policy and offered in excess of the Campeau offer price of \$21.00 for some of the stock (Exhibit 2, Pages 1 and 7).

On the morning of September 2nd, 1980 there was a meeting of the executives of the Toronto-Dominion Bank. The in-house directors of Oxford, namely Mercier and Ruest, were invited as Thomson wanted "everybody to be fully apprised of the total situation and this was the first time that the potential problem of Oxford was ... available to them." (Volume 2, Page 389).

After the bulk of the Toronto-Dominion Bank's order had been filled on September 2nd, 1980, Oxford, on September 3rd, 1980, acquired in excess of 1.7 million shares at prices ranging from \$20.25 to \$21.00. The acquisitions by Oxford totalled approximately 40 million dollars. (Exhibit 2, Pages 1 and 8).

On Thursday, August 28, 1980, the day after the public announcement of the Bid, but before the formal receipt of same, the Executive Committee of Royal Trustco held a special meeting. At this meeting they, inter alia, scrutinized a list of the principal shareholders (Exhibit 20).

Exhibit 20 shows that the 25 largest common shareholders made up 41% of the total common shareholding. There was also a listing of the shareholders who held between 10,000 and 49,000 shares. This made up an additional 28% of the common shares. Added to this were the holdings of Royal Trustco directors and the Canadian Advisory Board members (1%) Royal Trustco nominees (13%) and Royal Trustco employees holding stock option plans (2%) for a total of an additional 16%. Therefore, right at the very beginning, the Executive Committee was aware, at a minimum, of where 85% of the common shares were.

The Respondents also knew who the major holders of their preferred shares were. A list of the ten largest preferred shareholders was presented to the meeting on August 28th. According to the list the largest shareholder was Caisse de Depot. The next three largest shareholders were listed as McLeod Young Weir Limited,

Dominion Securities Limited and Nesbitt Thompson, who were retained as the financial advisors to the trust company. (Exhibit 11)

- Thus, when the Respondents determined upon a course of inducing current shareholders to purchase shares on the open market and not to tender under the Bid, the recipients of their inducements were already identified.

On September 2, 1980 there was a special meeting of the Board of Directors (Exhibit 19, pp. 3 - 15). This was the meeting at which White told the directors of his discussions with Campeau.

Under the heading of "Actions taken and planned" Exhibit 19, Page 8, there is a clear indication that the Respondents were aware of the market activities by their friends. Mr. Scholes reported to the Board that "there appears to have been substantial support by various shareholders through market purchases". Scholes then goes on to report work which was being done "in conjunction with the Bank of Montreal" and thus the Board and the Respondents were aware of where the sentiments of the Bank of Montreal lay.

There then followed a discussion of the position of some major clients. Exhibit 19, page 14 details some of the knowledge which the Respondents and the Directors had as to who would not be tendering:

(a) Stelco - "will not tender stock".

- (b) Commercial Union - "stock will not be tendered".
- (c) Canada Trust - "what can they do to help".
- (d) Guardian Insurance - "unhappy with Campeau - would certainly let us know before selling".
- (e) Manufacturers Life - "frozen shares in their own account and would let Royal Trust know if segregated accounts wished to sell".
- (f) Standard Life - "stock will not be tendered".
- (g) Sun Life - "what can they do to help - would buy more stock - \$10 million".
- (h) McGill - "agreed to freeze holdings and not tender".

With the listing of principal shareholders in front of them (Exhibit 20) it was a simple mathematical calculation for the Respondents to know in concrete terms the level of support.

Also during this meeting there is a clear indication that the Respondents were watching the market activity very closely. During the course of the afternoon, White interrupts the discussion on two occasions. The first time, he advised the directors that he had just received a report that Royal Trustco stock was trading at \$21.50 bid, namely \$.50 above the offer price of Campeau. At a later point in the afternoon, he advised that he had just received a message that 1.9 million shares had been traded that day and that 86% of same had been purchased through the financial advisors to Royal Trustco, namely McLeod Young Weir and Dominion Securities (Exhibit 19, pp. 7 and 9).

On September 8th, 1980 White caused to be forwarded to shareholders of Royal Trustco a letter enclosing a copy of a Directors' Circular. (Exhibit 4, pp. 18 to 27) The letter from White indicated that the directors had unanimously recommended that the Campeau offer be rejected as it was not "in the best interests of the Royal Trust group". The letter from White to the shareholders did not refer to any of the above detailed activities of the Royal Trustco executives and did not reveal any of the above referred to facts with respect to the position of various shareholders.

In the Directors' Circular at page 8 (Exhibit 4, p. 26) it was stated that "none of the directors or officers of Royal Trustco ... is aware of any other information not disclosed in the Offer and in this Circular which would reasonably be expected to affect the decision of the shareholders of Royal Trustco to accept or reject the Offer."

Under a heading on page 8 "Purchases of Shares of Royal Trustco" the directors and officers stated "the directors and officers of Royal Trustco have been advised by a large number of persons acting independently that they intend to purchase shares of Royal Trustco in the market during the Offer Period. While all of the purposes of such purchases are not known to the directors and officers, many have stated that their purposes include maintaining Royal Trustco as a public company not under the control of a single individual or corporation." Austin Taylor testified that McLeod Young Weir had

nothing to do with the preparation of the above referred to statement.
(Volume 4; p. 626)

The Circular also contained the statutory Certificate to the effect that "the foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made". The Directors' Circular was signed by, inter alia, White.

The Directors' Circular and letter to shareholders by White was considered at a special meeting of the Board of Directors on September 5th, 1980 (Exhibit 19, pp. 16 to 21). After a discussion it was resolved that the Directors' Circular be approved for mailing on Monday, September 8th with such "additions, omissions, and modifications" as the Chairman, President and Chief Executive Officer (i.e. the Respondent White) may approve. White was thus authorized to approve such additions, omissions, modifications "as he deems necessary". White, LaPrairie and two Directors were then authorized and directed to sign the Directors' Circular as modified by White.

It is interesting to note that over the weekend, the Directors' Circular, as approved by the Board on September 5th, was revised and reprinted. The revised Directors' Circular was not approved by the Board of Directors.

Section 97(3) of the Securities Act, 1978, S.O. 1978, C. 47 states, inter alia, that "the contents of a Directors' Circular shall be approved ... by the Directors of the offeree company."

OTHER PURCHASES AND CONTACTS

Austin Taylor testified that on or about September 10th, 1980 he received a telephone call from R. T. LaPrairie, Vice-President and Chief Financial Officer of Royal Trustco. LaPrairie advised Taylor that Taylor would probably be hearing from a Mr. Brenton of Midlantic National Bank in New Jersey. The following day, September 11th, Taylor did receive such a phone call and there was a discussion about the purchase of Royal Trustco shares. Subsequent to that phone call, Midlantic did place an order for the purchase of 100,000 shares of Royal Trustco. That order was filled by McLeod Young Weir (Volume 4, p. 584; Exhibit 2, pp. 1 and 17)

Mr. Harry Trenhome of Royal Trustco also contacted the Deutsche Bank in Frankfurt, West Germany during the currency of the bid. The Deutsche Bank already held 150,000 shares of Royal Trustco prior to August 27th, 1980 but subsequent to the contact by Royal Trustco, purchased an additional 350,000 shares at an approximate average cost of \$20.00. The order for the purchase of the Deutsche Bank shares came from Royal Trustco and confirmations were sent by McLeod Young Weir to Royal Trustco with a duplicate confirmation sent to Atlantic Capital (Exhibit 2, pp. 1 and 16; Volume 4, pp. 583 and 584)

TRADING ANALYSIS

As indicated, the Respondents were watching the market activity very closely throughout the period of the Bid. Evidence was adduced (Exhibit 2, pp. 20 to 43) to show both the volume and price activity of the shares of Royal Trustco both on an historical basis and during the currency of the Bid. During 1977 the price of the common shares of Royal Trustco ranged from a low of \$10.88 to a high of \$14.06; in 1978 it ranged from a low of \$11.63 to a high of \$15.00; in 1979 it ranged from a low of \$13.00 to a high of \$17.50. Up to the announcement of the Bid in late August of 1980 the price had ranged from a low of \$12.00 to a high of \$16 1/8. Subsequent to the public announcement of the Bid on August 27th, 1980 the share price rose to a high of \$21 3/4. After the withdrawal from the market of Campeau on October 2nd the price fell back to the \$18.00 range and did not rise above \$19 1/4 prior to the end of November, 1980. Thus from a price standpoint, anyone who had intended to buy Royal Trustco shares for investment purposes and intended to hold them on a long term basis anticipating a price rise would obviously have been much better advised to have purchased shares prior to the public announcement of the Bid on August 27th, 1980. This would lead to the perhaps inescapable inference that the purchase of shares by the major purchasers was motivated by considerations other than price.

" Prior to the announcement of the takeover Bid on August 27th the volume of Royal Trustco common shares on a yearly basis had been relatively stable with approximately two million shares being traded in 1977, 2.6 million in 1978 and 2.7 million in 1979. During the period of the Bid, in excess of ten million common shares were traded. With slightly in excess of sixteen million common shares being issued and outstanding during the currency of the Bid, this means that the equivalent of 62.5% of the common shares changed hands during the Bid period.

Between August 1 and August 26th the daily average volume in common shares was approximately 14,000 shares per day. During the currency of the Bid, the daily average rose to in excess of 404,000 common shares per day. After the expiry of the Bid and up to the end of October, 1980 the daily average fell back to slightly in excess of 10,300 common shares.

Exhibit 2 also clearly reveals that the vast majority of the buying was done by the financial advisors to Royal Trustco, namely McLeod Young Weir, Dominion Securities and Nesbitt Thompson. The only other broker who did any buying in volume was Burns Fry but the largest percentage of its buying was done for Oxford Development Group Limited after McLeod refused to handle their order (See Exhibit 2, pages 8 and 9) and also the friendly purchases by Olympia and York (Exhibit 2, page 19)

The charts on pages 20 and 30 of Exhibit 2 provide graphic illustration of the unprecedented activity in Royal Trustco shares caused, in the main, by the purchases by friends.

TIPPING

During the course of the bid, the Respondents revealed to certain purchasers of its shares material facts which had not been generally disclosed. Paragraph 6 of the Notice of Hearing provides particulars of the alleged breach of Section 75 of the Act. The evidence at the Hearing with respect to this breach was as follows:

As the bid progressed and as September 19th approached, the Toronto-Dominion Bank became concerned about being in a minority position in a Campeau-controlled Royal Trustco. The Bank had expressed these concerns to McLeod Young Weir, the financial advisors to Royal Trustco, on two or three occasions. They were so concerned that on the afternoon of September 16th a meeting was arranged at the offices of McLeod Young Weir. Messrs. Thomson, Hockin and Bumstead met with Austin Taylor. Thomson told Taylor that the Toronto-Dominion Bank did not want to end up as a minority shareholder in a Campeau-controlled Royal Trustco and that, therefore, there was a possibility that the Bank would be tendering its shares. (Volume 4, pp. 595 and 596).

On the evening of September 16th Taylor told White of the concerns of the Toronto-Dominion Bank. On the morning of September 17th, 1980 White called and indicated to Thomson that he wanted to arrange a meeting that morning. Thomson suggested through his secretary that a meeting could be arranged for the afternoon but White insisted to Thomson's secretary that the meeting had to be that morning. White came over to the premises of the Toronto-Dominion Bank with Messrs. Scholes and Wickens.

The obvious concern of White with respect to the possibility that the Toronto-Dominion Bank might tender was understandable as it can be argued that the Toronto-Dominion Bank represented a 40% swing in the shares. As White was aware of the linkage between Oxford's approximate 10% shareholding and Toronto-Dominion Bank's approximate 10% shareholding, he knew that if the 20% moved from a "not tendering" position to a "tendering" position, the swing would be equivalent to 40%. It was therefore crucial to White and the Respondents that the Toronto-Dominion Bank not tender.

During the meeting, White told the Toronto-Dominion Bank that 59% or 60% of the shares were not going to be tendered. He also advised the Toronto-Dominion Bank of the names of purchasers of shares, namely the Bank of Montreal, Sun Life, Noranda and Oxford Development.

Thomson already knew that Oxford had been a purchaser, but prior to this meeting, he had no knowledge that, amongst others, Noranda and Sun Life had purchased. He suspected the holding of the Bank of Montreal but White confirmed it to him.

There was also a discussion about the ETA accounts. White advised the Toronto-Dominion Bank officials that a canvass had been made of those accounts and that about 70% were going to hold. He also advised them what percentage of the outstanding shares of Royal Trustco were held in the ETA accounts (namely 15% or approximately 3.3 million shares). Austin Taylor, Chairman of McLeod Young Weir, Financial Advisor to Royal Trustco, testified that he incorrectly thought that these shares equalled approximately 35% of the outstanding shares. (Volume 2, pp. 353 to 356 and 390 to 394; Volume 4, pp. 627 and 633). It can be assumed that if Mr. Taylor was not aware of the 15% figure then the majority of shareholders were likewise not aware.

The meeting on the morning of the 17th lasted approximately an hour. White and Royal Trustco officials discussed how Royal Trustco liked the Toronto-Dominion Bank and had done business with it in the past in many ways and how they would hope to continue doing business with it in the future.

(Volume 2, Page 357). There was a discussion about a possible increase in dividends or the development of dividends of Royal Trustco in the future. The discussions were in general terms to the effect that on an historical basis, Royal Trustco had developed its earnings along a certain line and how its dividends had developed within that pattern and that they hoped that they could continue to show an increase in dividends. The presentation by White was an enthusiastic emotional one. The impression gathered by the officials of the Toronto-Dominion Bank was that the purpose of the meeting was to have the Bank not tender under the Bid (Volume 2, Pages 357, 358 and 389).

It is significant that immediately after the meeting with the Toronto-Dominion Bank, Messrs. White, Scholes and Wickens returned to the offices of Royal Trustco and held a special meeting of the Executive Committee. This meeting was held by way of conference telephone (see Exhibit 19, Page 38). According to the Minutes, the only thing discussed at that meeting was the profitability prospects for the Group, the current

dividend payout in relation to earnings and the possible adverse effects consequent upon the Campeau offer. It was decided to defer consideration of this matter to a later date. Mr. White then met at 2:00 p.m. on the 17th with Mulholland to advise him that Mulholland's proposal concerning a compromise with Campeau was being rejected by Royal Trustco. (Exhibit 19, Page 35).

The Toronto-Dominion Bank was not the only purchaser to whom the Respondents informed, other than in the necessary course of business, about a fact which they knew was a material fact before that fact had been generally disclosed. The evidence relating to the contacts between White and Sun Life are also relevant in this regard.

Galt testified that in the morning of September 11th, when he was in New York City, he received a telephone call from White. He did not know what prompted White to make the call. White said that there was a suggestion emanating from Mulholland of the Bank of Montreal that a compromise position be put to Campeau of some minority share position and some board members without control. White advised Galt that he was against the compromise. He then requested that Sun Life purchase more shares. The suggestion was made because White did not agree with the compromise. Galt also assumed that White was perhaps

calling other people hoping or suggesting that they also would buy more shares (Volume 2, Pages 227 and 235).

After Mr. White spoke to, inter alia, Galt, he attended a meeting of the Executive Committee at 10:00 a.m. on September 11th and "reported on the position of shareholders who had indicated that they would not tender their shares" (Exhibit 19, Page 25). At that time, Mr. White indicated to the Executive Committee that "the present indications are that a minimum of 41% is absolutely firm and that at least an additional one million shares are also firm. Accordingly the Chairman expressed confidence that Campeau would be denied control." (Exhibit 19, Page 25). This indicates that the information given to the Toronto-Dominion Bank was sufficiently certain to be a material fact.

White had been aware since September 3rd, 1980 that Sun Life intended to increase its holdings to at least one million shares and would not be tendering. He was also aware of the resolution of the Board of Directors of Sun Life on September 3rd that the Company could go up to 10% or approximately two million shares. Hence, he reported to the Board "that at least an additional one million shares are also firm." This one million shares obviously refers to the Sun Life shares. With the one million Sun Life shares added to the "absolutely firm" 41%, on September 11th, the percentage of shares which

would not be tendered was 46%.

Otley then informed the meeting that about one-third of the clients had been canvassed to date (i.e. of 3.3 million shares, 1.1 million shares had been canvassed) and 65% or approximately 715,000 shares would not be tendered. This represented at least an additional 3.5% and if extrapolated to all of the ETA account shares would represent more than 10%. Thus on September 11th the Respondents had reason to believe that at least 55% of the shares would not be tendered.

On the afternoon of September 17th, 1980, two days before the expiry of the \$21.00 offer, White called Galt "out of the blue" and told him that he, White, thought that the bid was going to fail. He estimated to Galt that 55% of the shares would not be tendered. Galt's understanding was that White had been looking at who had bought the shares and making assumptions as to whether they were going to tender or not. When asked if White indicated the purpose of this telephone call on the 17th Galt replied "he (i.e. White) said he thought I (i.e. Galt) would like to know" (Volume 2, Page 229).

Galt testified that Sun Life was not particularly anxious to be left in a minority position if the bid succeeded. He was, therefore, hoping that the bid was not going to succeed and was trying to make assessments on the 17th of September as to the likelihood of its success. McNeil said that the call "definitely did" influence them in the decision not to tender (Volume 2, Pages 228, 229 and 236; Volume 1, Page 192).

After receiving the call from White on September 17th, Galt and McNeil became concerned as to whether they were in possession of insider information. They consulted with their counsel, Gar Pink, Q.C. of the Tory law firm and after receiving advice they stopped trading in the market until after the bid had been extended and increased to \$23.00 (Volume 1, pp. 180 and 181; Volume 2, p. 230)

The fact that White and Scholes at their meeting with the Toronto-Dominion Bank on September 17th and White in his telephone conversation with Galt on the same day were not merely expressing pious hopes as to the percentage of shares that would not be tendered but in fact were imparting hard information is further buttressed by a review of the Minutes of the Board of Directors meeting of the previous day (i.e. September 16th, 1980) (Exhibit 19, pp. 32 to 37)

At this meeting, White reviews with the Board the "extensive activities that had been undertaken including communications with all trust company clients holding shares and the phone canvass of shareholders necessitated by the interruption in mail deliveries." Otley then advised the Directors that on August 28th, approximately 3.3 million shares or 15% of the outstanding shares were held in trust accounts. He advised the Directors that of the total holdings of 3.3 million, only 24,000 "had been identified as shares that would be tendered in acceptance of the Campeau Offer." (Exhibit 19, Pages 33 and 34). White then reported to the Board of Directors on "the substantial support that has been afforded by numerous individuals and firms ..."

This is an obvious reference to the fact that the Respondents knew that the individuals and firms were purchasing for the purpose of not tendering under the Bid. White then went on to express the view that "as a result of the investments made" the Campeau Corporation would be unable to gain 51% of the outstanding shares. This affords a further indication that the Respondents were well aware of who was purchasing and the intention of the purchasers.

White further went on to state (Exhibit 19, Page 35) that as a result of the purchases made since the announcement of the Campeau Offer he was aware of three major institutions who owned slightly less than 10%, two 5% each and a number in the 1 to 3% range. While the Minutes do not indicate whether Mr. White told the Board of Directors the names of the purchasers, it is a fair inference that White had to have known the names of the purchasers in order to be able to at least identify them generically. That he in fact knew the names of the purchasers is confirmed by his revelations to the Toronto-Dominion Bank the following day.

The Toronto-Dominion Bank and Sun Life were not the only "friends" who had contact with the Respondents on September 17th. On that day, Powis called White and "asked him how he felt the bid was going to turn out and he said he was hopeful that it would fail." (Volume 3, p. 465) When questioned as to whether White gave any reason, Powis testified "I don't think he had to, based on what was happening in the market. I assumed that a lot of other people had done what we had done." (Volume 3, p. 465) It is clear that Powis thought it was important to know what White thought of the chances of success or failure of the bid since Powis initiated the call to find out. It was not necessary for Powis to know

who the particular buyers were who would not tender. He assumed from the activity in the market that there were such buyers and relied on White's assessment and his feeling that White knew who the buyers were as an indication that these buyers would not tender.

Also on September 17th, Wickens visited Cole of the Canadian Imperial Bank of Commerce. Wickens "reflected some confidence that the bid would fail." (Volume 3, p. 491) There is no direct evidence that the statement by Wickens affected the decision of the Canadian Imperial Bank of Commerce as to whether it would tender or not. However, it is apparent that Wickens thought it was important enough to let Cole know that the bid would likely fail.

RAISING AND EXTENDING THE BID

At the expiry of the \$21.00 Bid on September 19th, 1980 approximately 30% of the shares were tendered. By Notice dated the 19th day of September, 1980 (Exhibit 4, Page 28) the Campeau Corporation extended the termination date in the offer to October 2nd, 1980 and increased the price under the offer to \$23.00 per common share and \$32.78 for the preferred shares. Campeau testified that he and his advisors were baffled by the fact that the number of shares which they wanted had not been deposited and that there had been no White Knight. He said that the Bid was raised because he wanted to know if the group that the press was referring to was "going to stand the heat of another \$2.00" (Volume 1, Pages 122 and 123).

"DIRECTORS' CIRCULAR" - SEPTEMBER 22, 1980

The Notice of Extension and Price Increase was announced late on Friday, September 19th. On Monday, September 22nd, there was a special meeting of the Board of Directors of Royal Trustco (Exhibit 19, Pages 45 to 47). At this meeting, White stated that it was the intention of the company to "continue the strategy and the defences that had been used to date; it appeared that at least 60% of the issued capital would not be tendered but this could change and in addition there was a substantial number of shares in the hands of smaller shareholders." This latter comment presumably refers to the fact that the Respondents did not have the control over the small shareholders which they had over the big blocks.

Royal Trustco decided to present its position through advertising and releases and a committee of directors was set up to assist management in the review of advertising, shareholder communications and the preparation and dissemination of the arguments in defence. The Board of Directors then considered a proposed letter to be dispatched to shareholders in response to the Campeau Corporation's extension of its offer. After consideration by the Board, it was resolved that the general form of the letter to shareholders be approved and a Committee of Directors together with management were authorized to make such changes and additions thereto as they deemed appropriate (Exhibit 19, pp. 46 and 47).

It is interesting to note that while White had the power to make such additions, omissions or modifications as he (White) deemed necessary in the Directors' Circular of September 8, 1980, he did not have

that power with respect to the communication of September 22nd, 1980 which purported to be a letter from White himself.

The letter, (Exhibit 4, p. 29) although signed by White and on his stationery (which indicated that he was Chairman and President and Chief Executive Officer of Royal Trustco Limited) advised the shareholders of the position of the Directors. For example, it stated that "your Directors met today to consider the new terms offered by Campeau Corporation and to review the recommendations set forth in the Royal Trustco Directors' Circular dated September 8th, 1980, and the reasons for recommending rejection of the offer at that time." In bold-faced type the letter went on to state "YOUR DIRECTORS AFFIRMED THEIR ORIGINAL RECOMMENDATION THAT THE OFFER BE REJECTED AS IT IS NOT IN THE BEST INTERESTS OF THE ROYAL TRUST GROUP."

The letter then went on to state "your Directors continue to recommend that the offer be rejected for the following reasons:" The letter then details nine reasons why the Directors continue to recommend that the offer be rejected. The letter then goes on in bold-faced type to state "A DECISION TO HOLD ROYAL TRUSTCO SHARES OR TO SELL THEM, EITHER ON THE MARKET OR BY TENDERING, SHOULD ONLY BE MADE BY EACH ROYAL TRUSTCO SHAREHOLDER IN LIGHT OF HIS OR HER OWN PARTICULAR CIRCUMSTANCES. HOWEVER, YOUR DIRECTORS ARE CONFIDENT THAT THE HOLDING OF SHARES OF ROYAL TRUSTCO, SO LONG AS IT REMAINS A WIDELY-HELD PUBLIC COMPANY, WILL CONTINUE TO BE A SOUND LONG TERM INVESTMENT DECISION."

The letter then goes on to state "the apparent lack of acceptance of Campeau Corporation's original Offer together with the many letters and messages of encouragement received at all levels of Royal Trust bear witness to the support of the shareholders and clients and for the position taken by your Board."

"We remain confident that our loyal Shareholders will overwhelmingly reject the amended Offer as they rejected the original Offer."

The letter makes no reference to purchases of shares of Royal Trustco in the market and makes no reference to any of the actions that been taken by the Respondents since August 27th, 1980. The letter makes no reference to any actions which the Respondents intended to take or had already taken with respect to the increased and extended offer.

It is interesting to note that while the Directors in the September 22nd letter talked about the long term positive prospects of Royal Trustco so long as "it remains a widely held public company" they had taken actions which resulted in over 50% of the shares being held by some twelve investors (Exhibit 2, p. 1). Prior to sending out this letter on September 22nd, the Respondents had also authorized an approach to Olympia and York which would lead to still further concentration of the shareholding.

After the Bid had been increased to \$23.00 per share White became concerned as to whether the "friends" would hold. In the early

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morning of Monday, September 22nd he contacted Thomson of the Toronto-Dominion Bank. Thomson confirmed to him right away that the Bank had not tendered "because it was obviously of interest to him". White then immediately said "I hope you won't at twenty-three." (Volume 2, p. 397)

APPROACH TO OLYMPIA AND YORK INVESTMENTS LTD.

On the weekend of September 20th, after the announcement of the price increase by Campeau and the extension of his Offer to October 2nd, but before White sent out the "Directors' Circular" of September 22nd, there was a meeting at the offices of Royal Trustco. Austin Taylor was present at this meeting along with Messrs. White, Scholes, Wickens and various other executives of Royal Trustco as well as counsel for McLeod Young Weir. At that meeting, there was a discussion as to whether Olympia and York should be approached with respect to a potential purchase of shares.

There was a decision made that counsel for McLeod Young Weir would in fact approach Olympia and York. White and Scholes were part of that decision-making team.

On September 22nd, Howard Beck telephoned Paul Reichmann, Vice-President and Secretary of Olympia and York. Beck was well known to Reichmann as he had acted as counsel to Olympia and York for many years. He advised Reichmann that he was now acting as counsel for McLeod Young Weir. Reichmann

knew throughout that McLeod Young Weir were acting for Royal Trustco. Beck enquired as to whether Olympia and York would have any interest in acquiring shares of Royal Trustco. Reichmann responded to Beck that Olympia and York would probably be interested in a 50% position (Volume 3, Pages 445 and 446). Prior to the Campeau Bid, Olympia and York had not owned any shares of Royal Trustco.

Beck met on September 22nd with Austin Taylor and advised him of the discussion with Olympia and York. Taylor and counsel then met with White and Scholes who decided that 50% was unacceptable. On September 23rd, Beck and Taylor met with Reichmann to explain White's opposition to Olympia and York becoming a controlling shareholder (Volume 4, Page 588; Volume 3, Page 446).

On September 24th, Reichmann spoke again with Beck and advised him that Olympia and York would be interested in a position of up to 20% and would purchase through the market up to 10% initially if Olympia and York had some assurance (a) that Royal Trustco would welcome a shareholder that had 20% and (b) on those conditions, Olympia and York would be invited to the Board and the Executive Committee. Reichmann requested Beck or Taylor to seek those assurances from Royal Trustco. There was a discussion of possibly two seats on the Board. Taylor then informed White and Scholes of the position of Olympia and York and had a discussion with them with respect to same. White and Scholes then contacted one or two members of the Executive Committee of Royal Trustco. They then informed Taylor that they would

be agreeable to Board representation and would welcome Olympia and York going up to 20%. Taylor then advised Reichmann that White was agreeable to the Board representation and also that White had consulted with other members of his Executive Committee before giving that assurance. Reichmann was clear that if he had not received this assurance from White, Olympia and York would not have made the purchases that it did (Volume 3, Page 448; Volume 4, Pages 589 and 590).

There was also a discussion between Beck and Olympia and York with respect to dividends. During the discussion about Board representation, Reichmann asked Beck about the future dividend policy of Royal Trustco. He was aware of the annual increases in dividends in the three preceding years. Reichmann stated that when Board representation was confirmed, the comment had been made to him by Beck "that there will be consideration given to the increase in dividends as in previous years." He assumed that Beck was talking on behalf of Royal Trustco when he made that response (Volume 3, Pages 449 and 450).

After the assurances had been received from White, Olympia and York embarked on a program of purchasing shares. The initial instructions to the brokers were to purchase up to 10% at a price of \$21.00 a share. Olympia and York clearly had no intention of tendering under the Bid.

While White, after consideration and consultation with

members of the Executive Committee, agreed to permitting Olympia and York to go up to 20% and also agreed to board representation, he had, earlier, rejected out of hand a similar proposal with respect to Campeau. On September 11th, 1980 the Executive Committee had considered, at length, the approach from the Bank of Montreal with respect to a compromise which could "terminate the "war" and allow Mr. Campeau to save face".

(Exhibit 19, p. 31) The discussion indicated that Mulholland had had meetings with both Campeau and White between August 27th and September 10th in an effort to work out a compromise. Mulholland had urged the compromise on White. (Volume 2, p. 252) The compromise would allow Campeau Corporation to acquire 25% of Royal Trustco stock, nominate three directors and be given some anti-dilution protection. White had met with Mulholland on September 10th at Mulholland's office in Toronto to discuss, inter alia, the compromise. At that meeting, he had predicted to Mulholland that over 50% of the shares would not tender under the bid. (Volume 2, p. 254) This prediction was in accordance with what White told the Board of Directors the following day on September 11th. (Exhibit 19, p. 25)

With the knowledge that the bid would, in all likelihood, fail, White had rejected the compromise from Campeau but he did tell Mulholland that he would consult with his Executive Committee. Before he did that, he, as already indicated, called Galt in New York to discuss the proposed compromise and his dislike of it. After White's presentation to the Executive Committee on September 11th, the Committee recommended that "the compromise proposed by the President of the Bank of Montreal not be

entertained." (Exhibit 19, p. 31). On September 16th, 1980 the Board of Directors "unanimously endorsed the recommendation of the Executive Committee to the effect that Mr. Mulholland's proposal be rejected." (Exhibit 19, p. 35).

Thus, without in any way advising the shareholders, the Respondents made vital decisions as to who would be entitled to board representation and who would not and what level of control they would agree to permit a "friend" to have. A further indication of this type of decision being made by the Respondents is seen in the Minutes of a special meeting of the Executive Committee on September 18th, 1980 (Exhibit 19, pp. 41 and 42).

This meeting concerned the approach from Canwest Investment Corporation. Canwest were prepared to make an offer for 100% of Royal Trustco subject to certain conditions. The financing for the competing bid was to be done through the Bank of Montreal. As this was to be a White Knight approach, Canwest were not prepared to make the bid unless it was approved by White and the Board of Directors. White, possessing the information that he had, to the effect that the Campeau Bid was doomed to failure, especially if the T.D. and Oxford did not tender under the Bid, was against the approach. The same day the Board of Directors authorized White to "thank Canwest Development Corporation for their interest and approach and advise them that at this time, it is considered inappropriate to proceed further with their proposal " (Exhibit 19, p. 44).

MINUTES OF MEETINGS OF BOARD OF DIRECTORS
AND EXECUTIVE COMMITTEE OF ROYAL TRUSTCO

Exhibit 19 consists of copies of the Minutes of the meetings of the Board of Directors and the Executive Committee of Royal Trustco during the period of the Bid namely from August 28th, 1980 to October 3, 1980. The Minutes give a capsulization of what was said and done at the various meetings. They do not and could not detail all of the information that was presented to the Directors and could not and do not detail all of the information possessed by the Respondents to these hearings. There has been no suggestion by the Respondents that the Minutes are in any way incorrect or in any way overstate the extent of the knowledge of the Respondents.

The Minutes show clearly, inter alia, the following:

1. The Respondents throughout had knowledge of who was buying the shares and who their friends were.
2. The Respondents knew throughout who had bought shares not to tender and who would not be tendering.
3. The Respondents throughout kept a very close watch on the trading and the share ownership.
4. The Respondents throughout were in possession of information which could and should have been revealed to all shareholders and not to just some selected shareholders.

5. The Respondents rejected the compromise of Milholland or Campeau because they knew at that stage they had the Bid defeated.
6. The Respondents were actively engaged in canvassing their ETA accounts and knew at all relevant times what percentage of those shares would not be tendered under the Bid.
7. The Respondents approved of and encouraged a competing take-over bid and also looked for a White Knight and considered the suitability of each proposed White Knight. Their rejection, ultimately, of the White Knight approach was really based upon their knowledge that the Bid would be defeated because of the buying in the market by the friends.
8. When the Toronto-Dominion Bank (and by logical extension, Oxford) began to get nervous about their position shortly before the expiry of the Bid, the Respondents went to the extraordinary length of having the meeting on September 17, 1980 in which they revealed to the Bank material

facts not generally disclosed. They also had a hastily called Special Executive Committee meeting to discuss the dividend question (Exhibit 19, p. 38).

WITHDRAWAL OF TAKE-OVER BID

On the late evening of October 2nd, 1980 the Campeau Corporation withdrew its take-over bid after only about 25% of the shareholders tendered to the \$23.00 offer.

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PART 2: THE LAW

I. SCOPE OF THE HEARING

This hearing was convened to consider whether an Order should be made "in the public interest" pursuant to Section 124(1) of the Act suspending the application of certain exemptions to Royal Trustco, White and Scholes. In our submission, the Respondents' failure to comply with various provisions of the Act, as specified below, justify the making of such an Order in this case. However, the Commission has previously taken the position that its jurisdiction under Section 124 and other provisions of the Act to act "in the public interest" is not limited to cases where a breach of the Act has occurred. For example, in Notice - G.E. Creber & Shane-Morgan Investments Limited, 1980 O.S.C.B. 28, commenting on an alleged conflict of interest situation, the Commission stated:

"Conduct that does not constitute a Criminal Code violation or a breach of The Securities Act does not end the Commission's concern or jurisdiction. It is within the Commission's purview to comment on standards of conduct in matters involving public corporations and the capital markets. The authority of the Commission to consider compliance with these standards is found in various provisions of the Act, including Section 124 which enables it to prohibit an individual or company from participating in the securities markets in Ontario where it concludes that such prohibition is appropriate in the public interest."

The following cases are also relevant in this regard:

1. Buschell Lake Mines et al, June 1958 O.S.C.B. 1, the Commission suspended the registration exemptions of the named company and of the members of its board of directors pursuant to the predecessor to

Section 124 of the Act because of the company's appointment of a foreign transfer agent and its failure to maintain a head office in Ontario, in contravention of The Corporations Act, 1953.

2. In Cablecasting Limited, 1978 O.S.C.B. 37, at 42, the Commission held that it had jurisdiction to impose a cease trade order under Section 144 (now 123) of the Act "in the public interest" on the basis of an alleged breach of a statute other than The Securities Act.

3. In Re Mitchell and O.S.C. (1957), 12 D.L.R. (2d) 221 (Ont. C.A.), the Ontario Court of Appeal held that the Commission had wide jurisdiction to cancel the registration of a registrant "in the public interest" under the predecessor to Section 26 of the Act, even in the absence of any breach of the Act.

II. DISCLOSURE

A. Defining the Issue

The issue for determination in this hearing is one of disclosure - did Royal Trustco, White and Scholes act contrary to the public interest with respect to what was disclosed, and what was not disclosed, to shareholders during the Campeau bid? It is clear that the directors and management of the target corporation may properly act in opposition to a take-over bid where they believe in good faith that the defeat of the bid would be in the best interests of the corporation and its shareholders. However, in this case, the evidence demonstrated, in

our submission, that the Respondents moved beyond the bounds of propriety.

B. Equality of Access to Information

Canadian securities legislation has been greatly influenced by the American experience in this area. One of the key principles underlying the United States legislation, as articulated by the U.S. Courts interpreting this legislation, is that all participants in the public securities markets should have relatively equal access to information which would reasonably be expected to affect market decisions. In S.E.C. v. Texas Gulf Sulphur Company, 401 F. 2d 833 (2 Cir., 1968), in relation to Rule 10b-2 (a so-called "anti-fraud" provision) under the Securities Exchange Act of 1934, the Court stated (at p. 848):

"The rule is based in policy on the justifiable expectation of the securities market place that all investors trading on impersonal exchanges have relatively equal access to material information."

As a consequence of this principle, the Courts developed what became known as the "disclose or abstain" rule; again quoting S.E.C. v. Texas Gulf Sulphur Co. (at p. 848):

"Thus, anyone in possession of material inside information must either disclose it to the investing public, or, if he is disabled from disclosing it in order to protect a corporate confidence, or he chooses not to do so, must abstain from trading in or recommending the securities concerned while such inside information remains undisclosed."

In the later case of Chiarella v. U.S., C.C.H. 1979-80 p. 97,232 (1980), the Supreme Court of the United States made it clear that the

duty to disclose was based on traditional fiduciary concepts (rather than arising from the imbalance of information per se). However, the basic policy thrust of the Texas Gulf decision was not called into question.

The principle of equality of access to information affecting market decisions has been adopted in Canada as the goal underlying securities legislation. In the Merger Report (Report of the Committee of the O.S.C. on the Problems of Disclosure Raised for Investors by Business Combinations and Private Placements, 1970), at pp. 15 - 16, the following statement is made in Chapter 2 (The Principle of Disclosure):

"Disclosure thus implements the broad objective of securities regulation: to create and maintain public confidence in Canadian capital markets. Adequate disclosure establishes the information base from which investment decisions can be made. Perhaps more importantly from these facts investment advice can be developed by the investment community for the general public. Furthermore if the securities are valued on the basis of complete and current information the pricing mechanisms of the capital market operates in a more rational and accurate fashion. The public can trade with greater confidence if equality of information is implicit in securities regulation".

As is evident from the previous quotation from the Texas Gulf decision, the principle of equality of information applies with respect to all relevant material facts. The concept of materiality, as developed in the U.S. case law, therefore qualifies the application of this principle, and some of the U.S. cases are referred to infra for illustrative purposes. However, in Ontario, the concept of the materiality is the subject of statutory definitions. Sections 1(1)21 and 1(1)22 which define "material change" and "material fact" respectively

(discussed infra), are set out below:

21. "material change" where used in relation to the affairs of an issuer means a change in the business, operations or capital of the issuer that would reasonably be expected to have a significant effect on the market price or value of any of the securities of the issuer and includes a decision to implement such a change made by the board of directors of the issuer or by senior management of the issuer who believe that confirmation of the decision by the board of directors is probable;
22. "material fact" where used in relation to securities issued or proposed to be issued means a fact that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of such securities;

C. Structure of Ontario Act re Disclosure

The provisions of the Ontario Act reflect the disclosure principles which were developed and refined by the U.S. case law. Part XVII of the Act sets out the continuous disclosure requirements imposed upon "reporting issuers". Section 74 of the Act requires immediate public disclosure of material changes as previously defined. Also required by this Part are the filing and dissemination of quarterly financial statements and annual information statements.

In addition, the Act requires further disclosure upon the occurrence of certain events of special significance to investors. In particular, Parts XIV and XV relate to disclosure requirements arising in relation to a public financing, the medium for such disclosure being the prospectus. As well, Part XIX of the Act sets out the disclosure requirements and other rules relating to take-over bids.

In order to preserve the integrity of the structure of disclosure provisions imposed by the Act, Section 75 was enacted in order to maintain the balance of information in the market. Section 75

prohibits persons "in a special relationship with a reporting issuer" (and therefore presumably having access to undisclosed material information) from:

- (a) trading while such information remains undisclosed,
or
- (b) "tipping" such information to other persons, whether or not such information is otherwise made use of by the "tipper" or the "tippee" in connection with any transaction.

D. Allegations against Royal Trustco

The basis of the allegations against Royal Trustco, White and Scholes in these proceedings is that they failed to make required disclosure and upset the information balance in the market by:

1. issuing a Directors' Circular dated September 8, 1980, which did not comply with the requirements of the Act and regulations.
2. "tipping" undisclosed information to the Toronto Dominion Bank and
3. issuing a letter to shareholders dated September 22, 1980, which constituted a Directors' Circular which did not comply with the Act or regulations.

As a consequence, the majority of the shareholders were deprived of sufficient information upon which to base their investment decision whether to hold their shares, sell them on the open market or tender them pursuant to the bid. These shareholders were at a special

disadvantage in contrast to other shareholders, like the Toronto Dominion Bank, who received undisclosed information from Royal Trustco.

E. Failure to Call Evidence

Prior to consideration of the legal authorities in support of the above allegations it is appropriate to refer to one evidentiary matter.

At the conclusion of four days of evidence presented by the Commission Staff, counsel on behalf of Royal Trustco, White and Scholes indicated that he would be calling no evidence on their behalf. In previous cases, it has been held that in civil proceedings, the trier of fact, in certain circumstances, is entitled to draw an adverse inference from the failure of a party to call a key witness.

In Murray v. Saskatoon, [1952] 2 D.L.R. 499, the Saskatchewan Court of Appeal quoted the following passage from Wigmore on Evidence, 3rd ed., vol. 2, pp. 162 et seq:

"The failure to bring before the tribunal some circumstance, document or witness, when either the party himself or his opponent claims that the facts would thereby be elucidated, serves to indicate, as the most natural inference, that the party fears to do so, and this fear is some evidence that the circumstance or document or witness, if brought, would have exposed facts unfavourable to the party. Those inferences, to be sure, cannot fairly be made except under certain conditions; and they are always open to explanation by circumstances which make some other hypothesis a more natural one than the party's fear of exposure. But the propriety of such an inference in general is not doubted."

The Court also added the following comments:

"The party affected by the inference may, of course,

explain it away by showing circumstances which prevent the production of the witness; but where the failure to produce the witness is not explained, the inference may be drawn that the unproduced evidence would be contrary to the party's case or at least would not support it."

In Ontario, this principle was applied in the case of Mudrazia v. Holjevac, [1970] 1 O.R. 275 (H.C.) where the Court stated as follows: (p. 276):

"Secondly, I wish to comment on the failure of the defendant to testify. He was in Court. As the case developed it appeared that the defendant ignored several highway signs and finally the stop sign with its flashing light; nevertheless the defendant did not see fit to testify. Under these circumstances, the state of mind of the operator of the vehicle, his judgment, skill and ability, become important matters on the issue of gross negligence. His counsel, who is very experienced in these cases, did not call Holjevac as a witness. Now failure of a defendant to testify does not constitute evidence where no case has been made out against him, but where a prima facie case has been made out the defendant's failure to testify may be the subject of an inference that his testimony, if given, would not support the defence raised. It depends upon the circumstances and the evidence as it has developed up to the time of failure to call the witness in question."

In our submission, the evidence submitted on behalf of the Commission staff constituted a prima facie case with respect to the allegations in the Notice of Hearing. An explanation from White or Scholes would have been helpful with respect to several issues. Therefore, the Commission is entitled to draw the inference that their explanations would not have been favourable to their case. In particular, in our submission, where there are contradictions within the evidence presented and the testimony of White and Scholes could have resolved these difficulties, such contradictions should be resolved in a manner which is least favourable to them.

A. Statutory Provisions

Sections 96 and 97 of the Act provide that the board of directors of a target company shall approve and send a Directors' Circular to each offeree shareholder not later than 10 days from the date of the take-over bid, and that the board may include therein a recommendation to accept or reject the take-over bid. The relevant parts of Sections 96 and 97 of the Act are set out below:

96.(1) **Directors' circular.**—The board of directors of an offeree company shall send a directors' circular to each offeree not later than ten days from the date of the take-over bid prepared in accordance with the regulations.

(2) **Recommendation by board.**—The board of directors may include in a directors' circular a recommendation to accept or to reject a take-over bid if it sees fit to do so.

97(3) **Idem.**—The contents of a directors' circular shall be approved and the delivery thereof authorized by the directors of the offeree company.

Section 165 of the Regulation provides that a Directors' Circular shall contain the information prescribed in Form 32. Form 32 requires several specific heads of information, including the following:

Item 12 Other Information

State the particulars of any other information not disclosed in the foregoing but known to the directors which would reasonably be expected to affect the decision of the security holders of the offeree company to accept or reject the offer.

Item 18 Certificate

Include a certificate in the following form signed by the chief executive officer, the chief financial officer and, on behalf of the board of directors, by any two directors of the company other than the foregoing, duly authorized to sign*:

"The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made."

In addition, Section 168(7) of the Regulation is relevant:

(7) Each circular or notice required under Part XIX of the Act shall provide full, true and plain disclosure of the matters required to be disclosed therein.

B. Adequacy of Disclosure

The Directors' Circular constitutes the principal means contemplated by the Act by which the target company communicates information to shareholders during a take-over bid. The importance of accurate disclosure in such communications to shareholders in the context of a contested bid was emphasized in the case of Chris-Craft Industries Inc. v. Piper Aircraft Corp., 480 F. 2d 341 (2d Cir., 1973) at pp.

364 - 365, in the following terms:

"Corporate officers and directors in their relations with shareholders owe a high fiduciary duty of honesty and fair dealing ... By reason of the special relationship between them, shareholders are likely to rely heavily upon the representations of corporate insiders when the shareholders find themselves in the midst of a battle for control. Corporate insiders therefore have the special responsibility to be meticulous and precise in their representations to shareholders".

In this case, the directors of Royal Trustco provided the shareholders with a Directors' Circular dated September 8, 1980 (Exhibit 4, p. 19). This circular was approved by the directors of Royal Trustco at their meeting on Friday, September 5, 1980, for mailing to shareholders on Monday, September 8. As may be noted from the Minutes of that meeting (Exhibit 19, p. 20), the text of the circular was approved subject to "such additions, omissions and modifications" as White deemed necessary prior to execution of the circular on September 8. Therefore, in our

submission, the relevant date for determination as to whether information contained in that circular was complete and accurate is September 8, the date of the circular.

Paragraph 4 of the Notice of Hearing alleged that the September 8 Directors' Circular was deficient, to the knowledge of White and Scholes, in that it failed to disclose fully the nature and extent of the defensive actions being taken by Royal Trustco management, as well their knowledge of the intentions of various shareholders with respect to tendering. Paragraph 3 of the Notice of Hearing more fully particularizes the alleged defensive actions taken.

In our submission, knowledge of the efforts and planned efforts of the management of the target corporation with respect to resisting the take-over bid was relevant to shareholders in assessing whether or not the bid was likely to succeed. Therefore, full disclosure of such information was required by Item 12 of Form 32 as information "which would reasonably be expected to affect the decision of the security holders of the offeree company whether to accept or reject the bid." Support for this proposition in the Canadian, United States and United Kingdom authorities is referred to infra.

Looking to the text of the Directors' Circular, Royal Trustco's directors appear to have considered disclosure of management's defensive efforts to be relevant to the investment decision of shareholders. The following passage appears on the first page of the Directors' Circular (Exhibit 4, p. 19):

"The offer is defective and deficient in providing material information and disclosure. Royal Trustco has authorized counsel to commence appropriate legal actions. It is intended that proceedings be launched on September 8, 1980 to enjoin the offer and to declare it invalid."

Among the means particularized in paragraph 3 of the Notice of Hearing by which Royal Trustco management sought to defeat the Campeau bid was by encouraging third parties to purchase shares of Royal Trustco on the open market, and not to tender to the bid these and other shares held by them. In his opening statement (Transcript, Vol. 1, p. 29), Mr. Robertson, on behalf of Royal Trustco, submitted that the following passage included all the information which was required to be disclosed with respect to purchases by third parties (which appeared under the heading "Purchase of Shares of Royal Trustco"):

No director or officer of Royal Trustco intends to purchase shares of Royal Trustco during the period Offer but each director and officer reserves the right to do so. The directors and officers of Royal Trustco have been advised by a large number of persons acting independently that they intend to purchase shares of Royal Trustco in the market during the Offer Period. While all of the purposes of such purchases are not known to the directors and officers, many have stated that their purposes include maintaining Royal Trustco as a public company and not under the control of a single individual or corporation.

In our submission, the above passage, to the extent it purports to address the matters referred to in paragraphs 3 and 4 of the Notice of Hearing, fell far short of the level of disclosure required by Form 32 (and in particular Item 12 thereof) with respect to disclosure of the efforts of management of the target corporation to cause the defeat of the take-over bid. The next section of these submissions examines various legal authorities and commentaries with respect to disclosure in this context, with particular reference to management efforts to obtain assistance from friendly third party purchasers of the target corporation's shares. However, in general terms, the courts both in Canada and the United States have made it clear that

disclosure requirements are not satisfied by vague general statements.

In the Texas Gulf Sulphur case, supra, at p. 864, the Court stated the following with respect to the extent of the disclosure required in a press release:

"The choice of an ambiguous general statement rather than a summary of the specific facts cannot reasonably be justified by any claimed urgency ... nor is it any justification that such an explicit disclosure of truth might have encouraged the rumour mill which they were seeking to allay".

In the case of Green v. Charterhouse Canada Ltd. (1976), 12 O.R. (2d) 280 (C.A.), the Ontario Court of Appeal, commenting on Section 113 of the previous Securities Act (which imposed civil liability for insider trading with knowledge of "specific confidential information") made the following comment with respect to a letter relied on by the defendants in that case as providing adequate disclosure (at pp. 308 - 309):

"While the letter does not say so, the writer is really saying that "confidential information exists which might be of a substantial significance to you but which I am not at liberty to disclose". Once the necessary ingredients of a cause of action against an insider under Section 113 (1) are shown to exist, then the resulting obligation is discharged by disclosure of "such information". It is not discharged by disclosing it exists, without saying what it is."

C. Legal Authorities and Commentaries

Reference to legal authorities and commentaries in Canada, the United States and the United Kingdom supports the view that shareholders are entitled to disclosure of the efforts of management of the target corporation, specifically including the encouraging of market purchases

by third parties, as bearing on the likelihood of the bid's being defeated.

1. Canada

Prof. Philip Anisman, in his text Take-over bid Legislation in Canada: A Comparative Analysis, CCH Canadian Limited, 1974, pp. 297 - 298, after discussing the subject of purchase by the offeree company itself of its own shares during a take-over bid, made the following comments with respect to purchases by directors of the target corporation and their allies:

"Purchases by offeree directors and their allies do not involve the same degree of unfairness to offerees because corporate funds are not used for the purpose. But such transactions may have substantially the same effect on an offer. Therefore, if the offeree directors, or their allies at their request, purchase shares in the open market or otherwise in order to defeat the bid either by causing the price of the shares to rise above the bid price or by acquiring sufficient shares to control the offeree company, the number of shares purchased and the prices paid should be disclosed. Disclosure should be made by public announcement and in the Directors' Circular or by an amendment to it. Offerees would then be informed not only of their directors' opposition to a bid but, more important, of the extent to which they oppose it and its chances of success. The number of shares purchased and prices paid will indicate the influence of the insiders' purchases as well as that of the bid itself, on the market price and the degree to which it may fall after the bid is completed. Directors should be responsible for reporting purchases made at their instigation by their allies."

In our submission, disclosure of the facts referred to in the above passage would be required pursuant to Item 12 of Form 32 to be disclosed in a Directors' Circular to the extent the information was available to the directors as at the relevant date (in this case, September 8, 1980).

As well, an update of such information would be required to be included in any amending document or subsequent directors' circular sent to shareholders.

The Regulations under the C.B.C.A. are somewhat more particular with respect to the subject of market purchases, in that they include the following specific requirements (Section 68(q)), in addition to a general requirement in the nature of Item 12 of Form 32 (Section 68(s)):

"68. A Directors' Circular referred to in subsection 194(1) of the Act shall contain the following information:

(q) Where a director or officer of the offeree corporation intends to purchase shares of the offeree corporation during a take-over bid or where he knows of the existence of such an intention on the part of any person, a statement of the intention and the purpose of such purchases, or if no such intention is known to exist, a statement to that effect; ... and

(s) All other material facts known to the directors or officers of the offeree corporation."

Since Royal Trustco is governed by the C.B.C.A., the above provisions were applicable in this case. In our submission, the facts required to be disclosed by Section 68(q) of the C.B.C.A. Regulations would also be required under Item 12 of Form 32 of the Ontario Regulation, since such information "would reasonably be expected to affect the decision of the security holders of the offeree company to accept or reject the offer." It is our further submission, as noted above, that the disclosure made in this regard in the September 8 Directors' Circular was not sufficient.

2. United Kingdom

In the United Kingdom, take-over bids are governed by the City Code

on Take-overs and Mergers (the "City Code"), a set of regulations which are administered by the Panel on Take-overs and Mergers, a self-regulatory body. The City Code applies not only to those who actively engage in the securities market, but also to directors of public corporations or any other persons who seek to gain control of public companies and their professional advisors (see Weinberg and Blank, On Take-overs and Mergers, 4th ed. (Sweet & Maxwell - London, 1979), p. 212). The principles underlying the provisions of the City Code are summarized in Weinberg and Blank (at. p. 211) as follows:

1. It is for the shareholders of an offeree company to decide whether or not an offer shall succeed (and to this end, the City Code requires, among other things, the provision of adequate information and time.)
2. There must be equitable treatment as between various shareholders of the offeree company.

Specifically with respect to market purchases during a take-over bid, Rule 31 and 37 of the City Code are applicable. Rule 31 states as follows:

"... all parties to a take-over or merger transaction (other than a partial offer) and associates are free to deal subject to daily disclosure to the Stock Exchange, the Panel and the press (not later than 12 noon on the dealing day following the date of the transaction) of the total of all shares of any offeror or offeree company purchased or sold by them or their respective associates for their own account on any day during the offer period in the market or otherwise and at what price."
(Weinberg, at p. 666)

The term "associates" is defined as follows (Weinberg, at p. 655):

"The term associate is intended to cover all persons (whether or not acting in concert) who directly or indirectly own or deal in the shares of the offeror or offeree company in a take-over bid or merger transaction and who have (in addition to their normal interest as shareholders) an interest or potential interest whether commercial, financial or personal in the outcome of the offer"
(emphasis added).

According to Weinberg, this definition would include friends of the directors of the offeror or of the target company dealing in the market with a view to influencing the bid (Weinberg, at p. 607).

Rule 37 of the City Code is set out as follows (Weinberg, at p. 669):

"Since dealing in the market or otherwise by a person with a commercial interest in the outcome of an offer may result in a bona fide offer being frustrated or may affect the outcome of an offer, such person must consult the panel in advance and be prepared to justify his proposed action as not being prejudicial to the interests of the shareholders as a whole".

It is evident from the above rules that the British securities regulators consider it necessary that the shareholders of the target corporation know what market dealings are occurring which may have a significant effect on the outcome of the bid (including dealings by persons "associated" with the target corporation in the widest sense) in order to make an informed decision with respect to their shares. Although similar specific provisions are not in effect in Canada, it is our submission that the provisions of the Act (and in particular Item 12 of Form 32) require the disclosure of such information in the context of a Directors' Circular or in any amendment thereto, to the extent such information is known to the target corporation at the relevant time.

3. The United States

In the United States, no provision existed in federal law prior to January, 1980 requiring a target corporation to send to its shareholders a document similar to a Directors' Circular. However, even in the absence of such provisions, the text Aranow & Einhorn, Tender Offers for Corporate Control (Columbia University Press - New York, 1973), at p. 242, stated,

in the context of a discussion of encouraging friendly parties to make open market purchases as a defence in a take-over bid situation, that such a defensive tactic "is not without its pitfalls and problems". Reference was made to the case of Crane Co. v. Western Air Brake Co., 419 F. 2d 787 (2d Cir., 1969), cert. denied, 40 U.S. 822 (1970) (discussed earlier in that text at pp. 239 - 240), as suggesting that while such purchases are not illegal per se, "extreme caution should be exercised to ensure that all material facts are properly disclosed prior to undertaking such purchases."

Since January 7, 1980, Rule 14e-2 under the Securities Exchange Act has required that a target company, within 10 days of a tender offer, send to its security holders a statement disclosing that the company either:

- (a) recommends acceptance or rejection of the tender offer;
- (b) expresses no opinion and is remaining neutral; or
- (c) is unable to take a position with respect to the offer.

Rule 14e-2 also requires that the reasons for the position stated be disclosed. If a recommendation is made to accept or reject a tender offer, Section 14(d)(4) requires that additional disclosure be made, as set out in schedule 14D-9.

The Securities Exchange Act release dated February 5, 1979, in which the proposed new tender offer rules were first published (Securities Act release No. 6002, Exchange Act release No. 15548, OCH 1979 p. 81935) stated as follows with respect to the purpose of Schedule 14D-9 (at p. 81,236):

"The disclosure required by proposed schedule 14D-10 (enacted as 14D-9) would assist security holders in making their decision and in evaluating the merits of a solicitation/recommendation in the context of a tender offer. Therefore, the Commission believes that proposed schedule 14D-10 is necessary and appropriate in the public interest and for the protection of investors."

Item 7 to this schedule is headed "Certain Negotiations and Transactions by the Subject Company". This item is reproduced, in part, below:

(a) If the person filing this statement is the subject company, state whether or not any negotiation is being undertaken or is underway by the subject company in response to the tender offer which relates to or would result in:

(1) An extraordinary transaction such as a merger or reorganization, involving the subject company or any subsidiary of the subject company;

(2) A purchase, sale or transfer of a material amount of assets by the subject company or any subsidiary of the subject company;

(3) A tender offer for or other acquisition of securities by or of the subject company; or

(4) Any material change in the present capitalization or dividend policy of the subject company.

Note that the third matter listed above would require the disclosure of "any negotiation (which) is undertaken or is underway by the subject company in response to the tender offer which relates to or would result in ... acquisition of securities ... of the subject company." In the SEC release referred to previously, the following comment appeared with respect to the proposed Item 7:

"Efforts by the subject company such as those described in proposed item 7 can have a determinative effect on the outcome of the tender offer and therefore are material to a security holder who is faced with making a decision by a tender offer."

From the foregoing, it is apparent that in the U.S. experience, action undertaken by management of a target company to defeat the bid, including efforts made with a view to encouraging market purchases by third parties, are considered relevant to the decision of security holders with respect to the bid. Given the community of principle underlying the U.S. and Canadian securities legislation, the same conclusion, in our submission, is applicable with respect to the Ontario legislation.

D. Matters which should have been disclosed in Directors' Circular

Based on the various authorities and commentaries referred to above, it is clear, in our submission, that knowledge of the actions of management of the target corporation designed to affect the likelihood of the bid's being defeated would reasonably be expected to affect the investment decision of shareholders, and therefore was required by Item 12 of Form 32 to be disclosed in the Directors' Circular. The same conclusion is also warranted with respect to knowledge of the effectiveness of such defensive actions.

In our submission, the statements in the September 8 Directors' Circular relied upon by Royal Trustco as providing adequate information in this regard were not sufficient; they constituted no more than "an ambiguous general statement" (as per the Texas Gulf Sulphur case) or a statement that relevant information exists without disclosing what it is (as per Green v. Charterhouse).

In particular, the passage in the circular which appeared under the heading "Purchase of Shares of Royal Trustco" (Exhibit 4, p. 26, quoted supra) was misleading in that it appeared from the passage that Royal Trustco management was taking a passive role with respect to the information received from persons intending to purchase shares of Royal Trustco in the market during the offer. In our submission, Item 12, Form 32 would have required, at a minimum, disclosure of the following additional information with respect to market purchases of Royal Trustco shares, which was available to White and Scholes as of September 8:

1. In an attempt to cause the bid to be defeated, senior Royal Trustco management and their agents had systematically approached a number of persons and companies with whom Royal Trustco had a substantial commercial relationship (or potential relationship) and sought to induce them to purchase shares of Royal Trustco on the market during the bid and not to tender such shares (and existing holdings) to the bid.
2. Royal Trustco had caused the Royal Trust Pension Fund to purchase 352,110 common shares and 33,600 preferred shares of Royal Trustco on August 28 and 29, which shares were sold at cost on September 2 to Sun Life, an existing shareholder, with whom Royal Trustco had a substantial commercial relationship and who had assured Royal Trustco that it opposed the bid.
3. As a result of the approaches referred to in paragraph 1, certain

specified persons and companies had purchased, were intending to purchase or already held a stated number of Royal Trustco shares which they did not intend to tender pursuant to the bid.

In addition to the foregoing, in our submission, it was incumbent upon Royal Trustco to disclose that its management had approved and was actively pursuing a plan to encourage a competing take-over bid by a syndicate of institutional purchasers.

As noted previously, Item 18 of Form 32 requires a certificate (in this case signed by White, amongst others) that provides, inter alia, that the circular "does not omit to state a material fact ... that is necessary to make a statement not misleading in light of the circumstances in which it was made". In our submission, in addition to being required by Item 12 of Form 32, disclosure of the matters enumerated above was also required in order to render not misleading the passage which appeared in the September 8 Circular under the heading "Purchase of Shares of Royal Trustco".

IV. "TIPPING" OF UNDISCLOSED INFORMATION

A. Statutory Provisions

Paragraph 6 of the Notice of Hearing alleges that White and Scholes revealed certain undisclosed information to personnel of the Toronto-Dominion Bank on September 17, 1980, two days before the expiry of the bid. Such disclosure, in our submission, was prohibited by Section 75(1)(b) of the Act since the information constituted material facts which had not been generally disclosed. Section 75(1)(b) of the Act provides as follows:

75.(1) Trading where undisclosed change. :- No person or company in a special relationship with a reporting issuer shall, ...

(b) inform, other than in the necessary course of business, another person or company about a fact or change which he knows is a material fact or change before the material fact or material change has been generally disclosed.

As noted previously, a "material fact" is defined in Section 1(1)22 as a "fact that significantly affects or would reasonably be expected to have a significant effect on the market price or value of such securities."

B. Information "Tipped"

As noted previously, the evidence indicated that at the September 17 meeting with the Toronto-Dominion Bank personnel, attended by White, Scholes and Wickens from Royal Trustco, White disclosed that approximately

60% of shares of Royal Trustco were owned by persons or companies who they knew or had reason to believe would not tender pursuant to the bid, and specific reference was made to shares held by the Bank of Montreal, Sun Life, Noranda, Oxford and the Royal Trust ETA accounts. As well, White mentioned the possibility of dividends being raised in the context of a general discussion of Royal Trustco's earning prospects. In our submission, White, being a director and officer of Royal Trustco (and therefore "in a special relationship" with Royal Trustco) was prohibited from disclosing these facts to the Toronto-Dominion Bank personnel, since they constituted material facts in relation to the affairs of Royal Trustco which had not been generally disclosed.

The evidence before the Commission indicated that the market price of Royal Trustco was significantly higher while the bid was outstanding than it was before or after the bid. The inference may therefore be drawn that if it had been generally disclosed that senior Royal Trustco management believed that sufficient shares were in the hands of persons who would not tender, this fact would be expected to have a significant effect on the market price of such securities. Therefore, in our submission, this information constituted a "material fact" within the meaning of the Act. In this regard, we submit that it is not without significance that legal counsel to Sun Life advised that company not to make further purchases of Royal Trustco shares, after less specific information was given by White to Galt on September 17, presumably because of concern that Sun Life would then be trading contrary to

Section 75(1) (a) of the Act.

The argument may be advanced by Royal Trustco that White's statement could not be considered a "material fact" since it was only a prediction or statement of opinion, White having no assurance that the persons and companies in question would not, in fact, tender to the bid. However, it may be noted that the definition of "material fact" in Section 1(1)22 of the Act appears to contemplate not only present facts ("... a fact that ^{significant,} ~~specifically~~ affects ...") but also future events ("... or would reasonably be expected to have a significant effect on ...") which, of their nature, are not certain to occur. As well, the American jurisprudence on materiality in the context of the anti-fraud provisions of the Securities Exchange Act (from which Ontario's definition of "material fact" is derived) indicates that total certainty is not necessary in order for information to be material.

In the Texas Gulf Sulphur case, at p. 849, the Court stated:

"In each case, then, whether facts are material within Rule 10b-5 when the facts relate to a particular event and are undisclosed by those persons who were knowledgeable thereof will depend at any given time upon a balance of both the indicated probability that the event will occur and the anticipated magnitude of the event in light of the totality of the company activity".

In that case, certain insiders and "tippees" had traded in securities of Texas Gulf with knowledge of the undisclosed results of a drill core sample which indicated the possibility of a substantial rich ore body on property owned by the company. The Court held that in these circumstances, the information was material, and therefore, the persons trading with knowledge of this fact were in breach of Rule 10b-5.

In S.E.C. v. Mize, OCH 1980 p. 97,362, (5th cir., 1980), at p. 97,427,

the Court cited the above passage from the Texas Gulf Sulphur case in reaching the conclusion that a proposed spin-off of corporate assets to another corporation to be controlled by certain insiders of the first corporation was material information notwithstanding that completion of the proposed transaction was not certain.

In the case of Marx v. Computer Sciences Corp., 507 F. 2d 485 (9th Cir. 1974), it was held that a forecast of earnings could be a material fact and that a mis-statement in the forecast could be a misrepresentation for the purposes of Rule 10b-5. The Court stated as follows (at p. 489):

"That a forecast, essentially a prediction, may be regarded as a "fact" within the meaning of Rule 10b-5 is settled by G & M, Inc. v. Newbern, 488 F. 2d 742 (9th Cir. 1973). In that case, this Court rejected a defendant's argument that his representations as to future earnings of a corporation were not actionable under Rule 10b-5 because mere opinion ... Nor can there be any doubt that the forecast of earnings was a "material fact."

And in the case of S.E.C. v. Geon Industries Inc., 531 F. 2d 39 (2d Cir. 1976), the Court held that despite the fact that a proposed merger was in the "embryonic ^{stage} states", this constituted a material fact for the purposes of Rule 10b-5. There, the Chief Executive Officer had told a friend at a dinner party that he was going to England to talk to some persons about a merger. That information was held to be material, as was a later statement by the same person that the Board would meet the next day to "rubber-stamp" the merger proposal. In fact, the merger never was completed, but in the meantime, the tippee had bought and sold shares at a substantial profit.

The Geon case is also interesting in that the Court was not prepared to overturn the conclusion of the trial judge that a certain party had received undisclosed information from one of the defendants, notwithstanding that there was no direct evidence of any such

disclosure. One of the factors the Court took into account in supporting this conclusion was that the defendant in question had freely provided material information to certain other persons. The following passage from this case (at p. 47) is of interest:

"Beyond that there is evidence of Neuwirth's talking too freely to others ... Evidently Neuwirth either had not been properly instructed concerning the duty of the chief executive officer of a public company to avoid private disclosure in the brave new world of Cady, Roberts & Co. ... and S.E.C. v. Texas Gulf Sulphur Co. ... or chose to disregard his instructions."

The conduct of the chief executive officer indicated in the above passage is interesting in light of the evidence given by two other witnesses in addition to the Toronto-Dominion Bank personnel (Powis of Noranda Mines and Galt of Sun Life) that Mr. White made similar statements to them with respect to the bid's likely failure on or about September 17, the day of the meeting between the Royal Trustco and the Toronto-Dominion Bank personnel. As well, according to the evidence of Cole of the Canadian Imperial Bank of Commerce, a statement to the same effect was made by Wickens on or about the same day.

Reference has been made previously to the comments in Chris-Craft Industries Inc. v. Piper Aircraft Corp., supra, at p. 364, with respect to the special reliance placed upon the representations of corporate insiders during a battle for control. In our submission, the fact that a "prediction" with respect to the outcome of a take-over bid is made by the Chief Executive or other Senior Officer of the target corporation, rather than by an outsider, increases the weight to be attached to the information.

With respect to the information disclosed on the subject of dividends, the case of Cady, Roberts & Co., 40 S.E.C. 907 (1961) is relevant. In that case, the Securities and Exchange Commission held that news of a board decision to reduce dividends was material information, and therefore, insiders who traded with knowledge of this information prior to its general disclosure were in breach of Rule 10b-5. On the issue of materiality of information regarding dividends, the Commission stated as follows (at p. 323):

"While there may be questions as to the materiality and significance of some corporate facts and as to the necessity of their disclosure under particular circumstances, that is not this case. Corporate dividend action of the kind involved here is clearly recognizable as having a direct effect on the market value of securities and the judgment of investors. Moreover, knowledge of this action was not arrived at as a result of perceptive analysis of the generally known facts, but was obtained from a director (and associate) during the time when respondents should have known that the board of directors of the issuer was taking steps to make the information publicly available but before it was actually announced."

In relation to the evidence presented at this hearing, it has previously been noted that certainty is not necessary in order for a fact to be a material fact (see Marx v. Computer Sciences Corp., supra., S.E.C. v. Geon Industries Inc., supra., and S.E.C. v. Mize, supra.) The fact that a projected dividend increase is disclosed by the Chief Executive Officer of a company gives this information additional weight (see Chris-Craft Industries Inc. v. Piper Aircraft Corp., supra.) Therefore, in our submission, this information constituted an undisclosed "material fact" within the meaning of the Act, and disclosure thereof by White was prohibited by Section 75(1) (b) of the Act.

V. LETTER TO SHAREHOLDERS -
SEPTEMBER 22, 1980

A. Directors' Circular

On September 22, 1980, after Campeau Corporation had increased the offering price under the bid, Royal Trustco sent a letter signed by White (Exhibit 4, p. 29) to its shareholders. Paragraph 8 of the Notice of Hearing alleges that this letter constituted a Directors' Circular that did not comply with the provisions of the Act.

Section 96(1) of the Act requires the target company to send a Directors' Circular to offeree shareholders within ten days of the take-over bid. However, the Act is silent with respect to communication by the target corporation after a change in the terms of the take-over bid. In this case, Royal Trustco sent to shareholders a document which took the form of a letter to shareholders from White, but which had the key attributes of a Directors' Circular, as noted previously. However, no attempt was made to otherwise address the items of disclosure required by Form 32 to be included in a Directors' Circular. In our submission, the document sent to shareholders on September 22 was, in effect, a Directors' Circular or was, at a minimum an amendment to the earlier Directors' Circular dated September 8, 1980. Therefore, compliance with the items of disclosure in Form 32 was required, at least by way of update.

Having issued a letter which constituted a Directors' Circular, it was

incumbent upon the directors, and in particular White and Scholes, to include information which subsequently came into their possession which rendered misleading any information contained in the previous circular.

We acknowledge that the providing of such a document to shareholders is not specifically required by the Act. However, given the form and timing of the September 22nd letter, an unsophisticated shareholder may well have relied upon this document as constituting legally mandated disclosure of management's response to the revised bid. In our submission, if the target company chooses to communicate with shareholders in such a fashion, it would be misleading to provide them with less than the information which is required by Form 32. The provision of such documents is contemplated by the statute, as indicated in Section 170 of the Regulation, which states as follows:

170. Every board of directors of an offeree company shall file a copy of the directors' circular and all supporting or supplementary material and any amendments or variations of the circular or the material.

In our submission, the September 22 letter was deficient in that it failed to disclose the additional information which we previously alleged should have been disclosed in the September 8 Directors' Circular (updated to September 22), to the extent that it was still relevant in the context of the altered bid. As well, it would also be necessary to include the information which White chose to disclose to the T-D Bank personnel on September 17. In support of the latter proposition, reference may be made to the case of Fridrich v. Bradford,

542 F. 2d 307 (6th Cir., 1976), at p. 327, where the Court stated that where the balance of information in the market has been upset by the tipping of undisclosed information, the only way to remedy this situation may be by full public disclosure of the relevant information. To similar effect, in Harold P. Connor et al (the National Sea case), 1976 O.S.C.B. 149, at p. 181, the Commission stated that "full private disclosure" in order to avoid civil liability under Section 113(1) of the previous Securities Act "would have raised the question of the necessity for a public statement at the same time".

The continued relevance in the context of the second bid of the knowledge possessed by the Respondents as to the shareholdings of various institutions and the fact that approximately 60% of the shares were held by persons and companies who management believed would not tender, was demonstrated by White's statement at the September 22 directors' meeting (prior to the sending of the letter to shareholders) that "it appeared that at least 60% of the issued capital would not be tendered but this ^{could} ~~would~~ change" (Exhibit 19, p. 46).

B. Director's Circular

If the September 22 letter to shareholders was not a Directors' Circular within the meaning of Section 96(1) of the Act, it was, as stated in our opening remarks, a Director's Circular, as contemplated by Section 96(3) of the Act. Section 96(3) provides as follows:

(3) Recommendation by individual director - An individual director or officer may recommend to the offerees acceptance or rejection of the take-over

bid made to such offerees if the director or officer sends to each offeree with his communication a circular prepared in accordance with the regulations.

Section 66 of the Regulation prescribes Form 33 for this purpose, and Form 33 requires substantially the same information as Form 32.

Unlike a Directors' Circular contemplated by Section 96(1) of the Act, no time limits apply in the case of a Directors' Circular under Section 96(3); it is the making of a recommendation by an individual director or officer to shareholders to accept or reject the bid that triggers the necessity for a circular under Section 96(3). Therefore, it is the state of knowledge of the individual officer or director at that time that is relevant with respect to preparation of the circular.

The September 22 letter clearly gave a recommendation to Royal Trustco shareholders with respect to the bid. Therefore, Royal Trustco cannot avoid the statutory disclosure requirements with respect to the September 22 communication by taking the position that it was merely a letter from Mr. White personally. In that case, Section 96(3) of the Act would have been applicable and thus, substantially the same disclosure would have been required as was indicated previously.

PART 3: CONCLUSION

(i) DIRECTORS' CIRCULAR DATED SEPTEMBER 8, 1980:

Paragraph 4 of the Notice of Hearing alleges that the Directors' Circular dated September 8th, 1980 did not disclose the activities of Royal Trustco Senior Management (set out in paragraph 3 of the Notice of Hearing) undertaken to oppose the bid, and did not disclose that as a result of those activities various persons and companies had, to the knowledge of Royal Trustco, White and Scholes, purchased shares in the open market so as not to tender. The importance of full and accurate disclosure in such an important document as a Directors' Circular has been highlighted and we have pointed to the high standard of care which is placed on the Senior Officers and Directors in preparing such a document. The specific requirements of the Act and Regulations have been reviewed, and in particular it is alleged that the Directors' Circular did not adequately disclose the information required by Items 12 and 18 of Form 32 of the Regulations.

There is abundant evidence to show that the Directors of Royal Trustco, including White and Scholes, were in possession of information which would have had a significant effect on the

shareholders' assessment as to the success or failure of the bid. Such information would certainly affect the shareholders' decision whether to accept or reject the offer and would thus be required to be disclosed under Item 12 of Form 32. There was also evidence to show that information as to the success or failure of the bid would, if generally disclosed, have a significant effect on the market value or price of securities, and, therefore, such facts would be material facts under Section 1(1)22 of the Securities Act. Thus disclosure of those facts would be required under Item 18 of Form 32 where not to do so would be misleading in the circumstances.

The evidence shows that at the time of the issuance of the Directors' Circular, the Respondents were aware that approaches had been made, directly or indirectly, to, inter alia, the Toronto-Dominion Bank, Oxford Development, Sun Life, Commercial Union, Noranda Mines, the Canadian Imperial Bank of Commerce and the Bank of Montreal. All of these companies were associated with Royal Trustco in respect of existing or potential commercial relationships.

The evidence shows that they must also have been aware of:

1. purchases made by several of those companies subsequent to their approaches;
2. the commercial reasons for those purchases and
3. the intentions of those purchasers not to tender.

They also knew of the purchase of shares made by the Royal Trust Pension Fund which shares were subsequently sold to Sun Life, a company which had advised them of its antipathy towards the bid and of its intention to purchase shares in the market.

In addition, they had approved a Plan to encourage a competing take-over bid by way of a syndicate (Plan A).

None of these facts, which would have a very significant effect on a shareholder's assessment as to the probable success or failure of the bid (and, therefore, on the market price of the securities, and on the decision of the shareholder whether to accept or reject the offer) were disclosed in the Director's Circular. The Respondents point to the statement on page 8 of the Directors' Circular as fulfillment of their obligation. However this is an ambiguous general statement which, in the absence of the above information, was misleading, and was, at best, merely a statement that material information existed without disclosing what it was.

Paragraph 5 of the Notice of Hearing further alleges that White as Chief Executive Officer of Royal Trustco signed the certificate in the Directors' Circular at a time when he knew or ought to have known that the Directors' Circular was deficient as set out in paragraph 4. It should be emphasized that the signing of the certificate in the Director's Circular by a Senior Officer is a significant event and that shareholders rely on such a certificate as testimony to the truth of the facts contained in the circular.

(ii) TIPPING

Paragraph 6 of the Notice of Hearing alleges that the Respondents White and Scholes tipped material information to personnel of the Toronto-Dominion Bank on September 17. This allegation is based on Section 75(1)(b) of the Securities Act, and, as has been noted, it is the "informing" of a person which is prohibited, regardless of whether the information has been made use of in connection with any transaction. The purpose of Section 75 is to maintain the balance of information in the market.

The evidence shows that very specific information concerning the holdings of various major shareholders (such as Sun Life, Noranda, Bank of Montreal and Oxford) and their intentions not to tender was given to the Toronto-Dominion Bank by the Respondents. They also gave information as to the canvass of E.T.A. accounts which indicated the percentage of outstanding shares held in such accounts and that the canvass had shown that approximately 70% of these shares would not be tendered under the bid. This information was not available to the public generally and Taylor said that even he had been mistaken during the bid as to the amount of such holdings. It was further stated to the Toronto-Dominion Bank that approximately 60% of the shares would probably not be tendered. All of this information would be of assistance to a shareholder in making an assessment as to the probability of success or failure of the bid.

This information was certainly material to the Toronto-Dominion Bank in light of its concerns, as expressed to Taylor, that the Bank might end up in a minority position. The Toronto-Dominion Bank officials had throughout the bid been attempting to assess the likelihood of the success or failure of the bid. As previously noted, information with respect to the success or failure of a bid would have a significant effect on the market value or price of securities, and thus, such facts would be material facts under Section 1(1)22 of the Act.

This tip occurred in the context of several other tips by White, Scholes and Wickens to officials of Sun Life, Bank of Montreal, Canadian Imperial Bank of Commerce and Noranda, many of them occurring on the 17th of September. Many of the witnesses for these companies stated that they were concerned about the success or failure of the bid.

In fact, McNeil of Sun Life stated that the information given to them (which was less specific than that given to the Toronto-Dominion Bank), "definitely did" influence them in their decision not to tender and caused them to stop trading for fear they were in possession of material undisclosed information.

The evidence also shows that on September 17, White and

Scholes discussed the possibility of dividend increases. It is significant that, immediately following the meeting with the Toronto-Dominion Bank officials, there was a hastily called Royal Trustco Executive Committee meeting to discuss the very question of dividend increases. Royal Trustco management not only communicated to the Toronto-Dominion Bank that they were considering a dividend increase as in the past but they also revealed similar information to Olympia and York on September 24, 1980.

The evidence of Hale was that officials of the Toronto-Dominion Bank were aware that the price of the securities would fall off after the failure of the bid. Thus information as to the likelihood of dividend increases would be material to a determination as to the Bank's ability to realize a return on their investment. As stated earlier, information as to dividend increases would have a significant effect on the market value or price of securities and would thus constitute a material fact under Section 1(1)22 of the Act.

It is therefore submitted that the facts alleged in paragraph 6 of the Notice of Hearing have been established and a breach of Section 75(1)(b) of the Securities Act has been shown. The evidence shows that the tip to the Toronto-Dominion Bank on September 17 was part of a deliberate series of tips aimed at ensuring that the friends would not tender their shares.

(iii) LETTER TO SHAREHOLDERS DATED SEPTEMBER 22nd

As has been noted, the letter to shareholders dated September 22, which was approved by the Board of Directors, revised by a sub-committee of the Board and signed by White, has many of the key attributes of a Directors' Circular. It is submitted that it would be contrary to the intent of the Securities Act that such a document be sent to shareholders (who may be misled into believing that the document constituted legally mandated disclosure) without complying with Form 32 of the Act. As well, there is provision under the Regulations for an amendment to a Directors' Circular. Once a subsequent communication is sent, it would be contrary to the Act if disclosure was not made of material facts not disclosed in the original Directors' Circular.

In the circumstances of this case, the evidence shows that the Directors were possessed of material information as to approaches made by them which resulted or would result in further purchases by shareholders who intended not to tender under the bid. These included the purchases by Deutsche Bank, Midlantic and the Canadian Imperial Bank of Commerce. On September 20, senior management had approved a further approach to Olympia and York which was initiated on September 22. Their knowledge with respect to actual purchases by the Toronto-Dominion Bank, Oxford, Sun Life, Commercial Union and Noranda was also much more specific by that time.

It is also submitted that, having tipped material information to the Toronto-Dominion Bank on September 17 and created an imbalance of information, it was incumbent on the directors to rectify the imbalance in subsequent communications to shareholders, such as the letter of September 22, by disclosure of the tipped information.

Finally, it is submitted that the letter of September 22 was at least a recommendation made by a senior officer and director of Royal Trustco to reject the offer, and, therefore, compliance with Section 96(3) was required. This would have necessitated the inclusion, with the communication of a Director's Circular in compliance with Form 33 of the Regulations, which requires substantially the same information as Form 32.

RECOMMENDATION

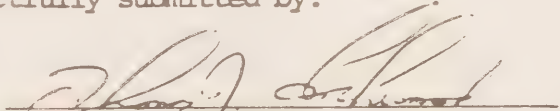
It is, therefore, submitted that each and every one of the allegations in the Notice of Hearing have been substantiated and that, as a result of the actions of the Respondents, shareholders were deprived of the information necessary to make an informed decision whether to hold, tender or sell their shares into the market. It is submitted that these activities had a significant effect on the ultimate course of the bid. Large volumes of shares changed hands without the public knowing the true reasons for those trades.

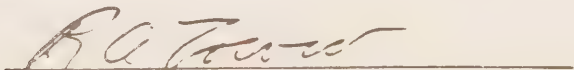
This Commission has had occasion to rule on a situation involving adequacy of disclosure and the use of inside information in Re Harold P. O'Connor, and while on that occasion the Commission chose not to impose any sanction on the persons concerned, they did say that the case would "stand as a warning to all others similarly situated." It is clear that in this case there were extensive failures to disclose in the Directors' Circular of September 8 and the communication of September 22.

There were also several deliberate tips of material information, of which the tip to the Toronto-Dominion Bank was the clearest example.

It is clear beyond all doubt that the actions of the Respondents fell far below the standard of conduct expected of senior officers and directors of a corporation whose shares are publicly traded. Continued investor confidence in the integrity of the capital markets and public corporations demands that during a take-over bid the executives of the offeree company conduct themselves in accordance with both the letter and the spirit of the Securities Act. One of the basic aims or purposes of the Act is the protection of the investing public through full, true and plain disclosure of all material facts. The Ontario Securities Commission has been entrusted with ensuring both that the provisions of the Act are complied with and that investor confidence is maintained. Where the conduct of individuals or corporations, as here, is such as to erode investor confidence as well as breach specific provisions of the Act, it is incumbent upon the Commission to impose a sanction of sufficient severity to discourage a repetition of such conduct in the future and to indicate clearly to the business community and to the investing public the standard of conduct demanded of public corporations and the senior officers of same. We invite and urge the Commission to impose such sanctions on the Respondents.

All of which is respectfully submitted by:


THOMAS J. LOCKWOOD


RICHARD A. LOCOCO

Of Counsel to the Staff of the
Ontario Securities Commission.

CHRONOLOGY OF EVENTS

AUGUST 26TH (TUESDAY)

1. Campeau calls Mulholland in the evening and informs him of the impending bid.

AUGUST 27TH (WEDNESDAY)

1. Campeau calls White and arranges meeting and then meets White at summer residence in the Eastern Townships. Campeau informs White of the bid and the bid is discussed.
2. The bid is announced publicly.
3. A meeting between White and Mulholland in the afternoon.
4. Campeau and Mulholland meet immediately after White leaves.
5. Meeting of the Senior Executives of Royal Trustco in Toronto along with Taylor of McLeod Young Weir. White is not present.
6. Telephone call from Wickens to McNeil of Sun Life.

AUGUST 28TH (THURSDAY)

1. Meeting between Campeau and Mulholland - beginning a series of meetings where a compromise proposal is discussed.
2. Meeting of the Executive Committee of Royal Trustco where a full and detailed report of the Campeau offer is presented and the bid is discussed.
3. The beginning of a series of daily strategy meetings between Royal Trustco Senior Officials and McLeod Young Weir Senior Officials.
4. Scholes calls McCarthy of Sun Life and arranges a meeting for August 29th at 3:30 p.m..
5. Mulholland of the Bank of Montreal calls Galt to see if he is available for a Bank of Montreal special Board meeting to discuss the possibility of a special share issue.
6. Galt and McCarthy of Sun Life begin internal discussions with respect to the purchase of shares.
7. Wickens calls Boyle of the Toronto-Dominion Bank and is told he should talk to Mercier. Wickens calls Mercier.
8. Otley calls Denman of Commercial Union.
9. The Royal Trust Pension Fund purchases over 250,000 Royal Trustco A shares and another 33,600 preferred A shares.

10. The Bank of Montreal begins purchasing Royal Trustco A shares.

AUGUST 29TH (FRIDAY)

1. Further internal discussions at Sun Life with respect to the purchase of shares.
2. Wickens of Royal Trustco meets with Mercier and Simmons of the Toronto-Dominion Bank to discuss the purchase of shares and the possibility of the Toronto-Dominion Bank providing after-tax financing.
3. Mercier reports to a meeting of Senior Officials of Toronto-Dominion Bank and there is a discussion with respect to the purchase of shares and the provision of after-tax financing.
4. Scholes of Royal Trustco meets with McNeil, Galt and McCarthy of Sun Life and there is a discussion with respect to the tendering of shares already held by Sun Life and the possible purchase of further shares by Sun Life.
5. After Scholes leaves the meeting at Sun Life, McNeil, Galt and McCarthy meet further and decide to purchase further shares of Royal Trustco.
6. Taylor of McLeod Young Weir receives a call from Credit Foncier and the bid is discussed and future meetings arranged.
7. White telephones Harrison of the C.I.B.C., discusses the bid and requests support from Harrison.
8. The Royal Trust Pension Fund purchases a further 100,000 Royal Trustco A shares and the Bank of Montreal purchases a further 241,263 Royal Trustco A shares.

AUGUST 30TH (SATURDAY)

1. During a series of strategy meetings at McLeod Young Weir offices, along with Senior Officials of Royal Trustco, Plan A is developed.
2. A list of possible participants for Plan A is drawn up.
3. A second and more detailed list of possible participants is prepared.

AUGUST 31ST (SUNDAY)

1. Taylor phones officials at Camp Investments to arrange a meeting to discuss Plan A.

2. Taylor calls Thomson of the T.D. Bank and arranges a meeting to present Plan A.
3. Taylor attends at the home of Thomson. Hockin and Hale of the T.D. Bank are also present. Plan A is presented and there is a discussion of alternatives. A meeting is arranged for the following day at McLeod's offices.
4. After Taylor leaves, T.D. Officials remain and further discuss Plan A. It is agreed that the Plan is not attractive to the T.D. Bank and there is a discussion as to the purchasing of shares.
5. Thomson calls Love of Oxford Development. Love indicates Oxford will purchase and T.D. offers to finance.

SEPTEMBER 1ST LABOUR DAY (MONDAY)

1. Hockin, Hale and Thomson of the Toronto-Dominion Bank meet at McLeod's office with Taylor, Beck and Emerson and other officials of McLeod. Toronto-Dominion informs McLeod that it will not participate in Plan A and a discussion ensues as to purchases by the T.D. Bank and Oxford Development.
2. There is a further meeting in the afternoon where McLeod officials inform the T.D. Bank that they would prefer to act for only the T.D. Bank and not for Oxford. T.D. Officials agree to this.
3. Hale, Bumstead and Hockin meet at Hockin's house. Thomson is called and informed as to the events of the afternoon. Then a call is placed to Love to inform him of the arrangements as to the purchases. Love agrees to let T.D. buy first.
4. Hockin telephones Taylor of McLeod Young Weir to confirm an order for slightly less than 10% of Royal Trustco shares.
5. Taylor cancels a meeting with Cemp Investments.

SEPTEMBER 2ND (TUESDAY)

1. Several orders are placed for the purchase of Royal Trustco A shares including an order by Sun Life with Taylor at McLeod and an order by Denman of Commercial Union at McLeod.
2. There are numerous telephone calls between Wickens of Royal Trustco and McNeil of Sun Life with respect to Sun Life taking over the purchases made by the Royal Trust Pension Fund. Sun Life agrees to buy the shares from the Pension Fund.

3. At the T.D. Bank there is an Executive Committee meeting attended by Thomson, Ruest, Mercier, Bumstead, Peters and others.
4. Denman of Commercial Union telephones White to inform him of actions that Commercial Union will be taking to purchase Royal Trustco shares.
5. Royal Trustco Directors meeting. The Board resolves to take all appropriate action to oppose the bid.
6. White and Scholes meet with officials of Credit Foncier.
7. The T.D. Bank purchases 1,532,617 A shares and 206,390 preferred A to obtain a position of slightly under 10%. Oxford also purchases a small number of shares and National Trust and Sun Life begin purchasing shares.

SEPTEMBER 3RD (WEDNESDAY)

1. Meeting between Graton of Credit Foncier and Taylor of McLeod Young Weir.
2. Directors meeting of Sun Life. The Board is informed of purchases being made by Sun Life and a resolution is made authorizing management to purchase up to 10%.
3. Galt telephones Scholes to inform him of Sun Life's decision and informs him of a target of 5%.
4. Taylor presents Plan A to Chieftain Developments.
5. In the market, Oxford purchases 1,706,600 A and 37,000 preferred A shares of Royal Trustco. The T.D. Bank further purchases a small number of shares and the Bank of Montreal also purchases 153,715 A shares. Commercial Union purchases 110,000 A shares.

SEPTEMBER 5 (FRIDAY)

1. Sun Life takes delivery of shares originally purchased by the Royal Trust Pension Fund.
2. Retainers are signed between Royal Trustco and McLeod Young Weir. McLeod gives its opinion on bid.
3. There is a reconvened special meeting of the Board of Directors of Royal Trustco at which the Board approves the Directors' Circular in the form tabled at the meeting subject to such additions, omissions and modifications as White deems necessary.

SEPTEMBER 7TH (SUNDAY)

1. White telephones Powis of Noranda and asks whether Noranda will buy shares.
2. White then telephones Taylor of McLeod Young Weir and says that he should talk to Powis of Noranda with respect to the purchase of shares.
3. Taylor meets with Powis of Noranda and discusses the purchase of shares.

SEPTEMBER 8TH (MONDAY)

1. The revised and reprinted Directors' Circular is mailed.
2. A reconvened special meeting of the Board of Directors of Royal Trustco. A report as to progress of the bid.
3. Sun Life takes delivery of the remaining 100,000 A shares of Royal Trustco and continues purchasing in the market. Noranda and C.P. Limited begin purchasing shares. Noranda purchases 168,825 A shares and 37,600 preferred A shares.

SEPTEMBER 9TH (TUESDAY)

1. Noranda purchases 132,565 A and 31,600 preferred A shares and C.P. Limited purchases 73,000 A shares.

SEPTEMBER 10TH (WEDNESDAY)

1. La Prairie of Royal Trustco calls Taylor of McLeod Young Weir to advise him to expect a call from Brenton of Midlantic.
2. Taylor phones Cork of Noranda to confirm execution of order and a further order of 100,000 shares is placed.
3. White meets with Mulholland to discuss the compromise proposal and White informs Mulholland that the bid will probably fail.

SEPTEMBER 11TH (THURSDAY)

1. White telephones Galt and informs him of the compromise proposal and his opposition to it. White asks Galt to buy more shares.
2. There is an Executive Committee meeting of Royal Trustco at which it is reported that at least 41% of the shares are firm and an additional 1 million shares are firm. Otley reports on the canvass of the E.T.A. accounts. There is also

a report on the meeting between White and Mulholland on September 10th.

3. Taylor receives a call from Brenton of Midlantic and discusses the purchase of shares.

SEPTEMBER 12TH (FRIDAY)

1. Wickens telephones Cole of the C.I.B.C. to request a meeting.
2. Wickens and Cole meet in order to have the C.I.B.C. purchase shares of Royal Trustco.
3. Cole telephones Harrison and reports on the meeting with Wickens and discusses the possible purchase of shares. A decision is made to buy Royal Trustco shares.

SEPTEMBER 15TH (MONDAY)

1. Taylor meets with Asper and Schwartz of Carwest and informs them of Plan A.
2. The C.I.B.C. begins purchasing shares in the market and on September 15th purchases 47,600 A shares of Royal Trustco.

SEPTEMBER 16TH (TUESDAY)

1. The regularly scheduled Board meeting of Royal Trustco occurs. There is a report on the client and shareholder canvass by Mr. Otley. The Board rejects the compromise proposal of Mulholland. There is a report that as a result of purchases made in the market, three major institutions own 10% of Royal Trustco, two other institutions own 5% and several others own 1 to 3%.
2. An order is placed by a Royal Trustco official at McLeod Young Weir trading desk on behalf of Atlantic Capital (which purchased on behalf of Deutsche Bank).
3. Thomson, Hockin and Bumstead of the Toronto-Dominion Bank meet with Taylor of McLeod Young Weir to express concerns about the success of the bid.
4. Taylor meets with White and informs White of the concerns of the Toronto-Dominion Bank.
5. During trading that day C.P. Limited, C.I.B.C. and Sun Life continue purchasing shares. Deutsche Bank purchases 176,254 Royal Trustco A shares.

SEPTEMBER 17TH (WEDNESDAY)

1. White telephones Thomson to arrange a meeting with the T.D. Bank.
2. Thomson, Hockin and Bumstead of the Toronto-Dominion Bank meet with White, Scholes and Wickens of Royal Trustco. T.D. officials are informed of the holdings of certain institutions, including Noranda, Sun Life, Bank of Montreal and Oxford and also of the results of canvasses of the E.T.A. accounts. They are told that at least 59 to 60% of Royal Trustco shares will not be tendered under the bid. There is also a discussion of possible future dividend increases.
3. Wickens again meets with Mercier of the T.D. Bank and once again asks for after-tax financing.
4. Special meeting of the Executive Committee of Royal Trustco by conference telephone immediately after T.D. meeting. The only topics discussed are the profitability of the Group and the current dividend payout.
5. Meeting between White and Mulholland of the Bank of Montreal to inform Mulholland of the rejection by the Board of the compromise proposal.
6. White telephones Galt of Sun Life to inform him that the bid will fail as at least 55% will not tender.
7. Powis of Noranda and White discuss the bid by telephone.
8. Wickens visits Cole of the C.I.B.C. and tells him that the bid will probably fail.
9. Taylor meets with Camp Investments to discuss a possible White Knight approach.
10. Purchases in the market include 84,200 A shares by the C.I.B.C., 160,662 A shares by Deutsche Bank, and 39,400 preferred A shares by Sun Life.

SEPTEMBER 18TH (THURSDAY)

1. Sun Life officials consult counsel and decide to stop trading for fear of trading with inside information.
2. Taylor calls Asper of Canwest concerning a possible White Knight approach.

3. A previously scheduled Directors meeting is concluded without any business and a September 19th Directors' meeting is cancelled.
4. Taylor reports the discussions with Canwest to White.
5. A special meeting of the Executive Committee is called to consider the Canwest White Knight approach and consideration is deferred to a Board meeting to be called that afternoon.
6. At a special Board meeting the Canwest approach is rejected and White is authorized to inform Canwest of that fact.
7. Purchases in the market include those by C.P. Limited, Deutsche Bank and Midlantic. The C.I.B.C. also purchases 85,100 A shares of Royal Trustco.

SEPTEMBER 19TH (FRIDAY)

1. 30% of shares tendered and Campeau Corporation extends the bid.
2. C.P. Limited and Midlantic continue purchasing in the market and the C.I.B.C. purchases 250,000 A shares of Royal Trustco.

SEPTEMBER 20TH (SATURDAY)

1. Meeting of Royal Trustco and McLeod Young Weir officials to discuss the extended and increased bid. Decision made to approach Olympia & York concerning the purchase of shares.

SEPTEMBER 22ND (MONDAY)

1. White calls Thomson to thank him for not tendering and requests that he not tender under the \$23. bid.
2. Beck telephones Reichmann of Olympia and York with respect to the possible purchase of Royal Trustco shares. Reichmann indicates that Olympia & York would be interested in a 50% acquisition.
3. Beck consults with Taylor and White and Scholes and a decision is made to reject the 50% counter proposal.
4. Meeting of the Board of Directors of Royal Trustco. There is a report on the bid and a sub-committee is struck to review shareholder communications. A letter to shareholders is approved subject to revision by the sub-committee.

5. New retainers are signed between Royal Trustco and McLeod Young Weir.
6. "Directors' Circular" is sent to shareholders concerning increased and extended bid.

SEPTEMBER 23RD (TUESDAY)

1. Beck and Taylor meet with Reichmanns to inform them of Royal Trustco's opposition to a 50% acquisition by Olympia and York.

SEPTEMBER 24TH (WEDNESDAY)

1. A discussion between Reichmann and Beck and Taylor during which the Reichmanns suggest that they would be willing to acquire a 20% holding if they were welcomed onto the Board with a minimum of two directors.
2. Taylor and Beck inform White of the discussions with Olympia & York and White consults some Executive Committee members and then agrees to the conditions of Olympia & York.
3. Taylor informs the Reichmann's of Royal Trustco management's approval. There is also a discussion of future dividend increases.

SEPTEMBER 25TH (THURSDAY)

1. Olympia & York commences purchasing shares in the market. On the Thursday, Friday and the following Monday they pick up approximately 400,000 shares of Royal Trustco.

SEPTEMBER 30TH (TUESDAY)

1. Olympia & York purchases 1,102,473 A shares of Royal Trustco and 60,200 preferred A shares.

OCTOBER 2ND (THURSDAY)

1. 25% of shares tendered and Campeau Corporation withdraws the bid.

OCTOBER 3RD (FRIDAY)

1. A special meeting of the Board of Directors is held to consider the withdrawal of the Campeau Corporation bid.

IN THE MATTER OF THE SECURITIES
ACT 1978, S.O. 1978, Chapter 47,
and amendments thereto;

AND IN THE MATTER OF ROYAL TRUSTCO
LIMITED, KENNETH ALAN WHITE and
JOHN MERTON SCHOLES

SUBMISSIONS ON BEHALF OF ROYAL
TRUSTCO LIMITED, KENNETH ALAN
WHITE and JOHN MERTON SCHOLES

I - THE ISSUES

1. At page 61 of the Commission Staff Argument it is stated: "The issue for determination in this hearing is one of disclosure..."

2. At page 65 of that submission the Commission Staff argues that the failure of disclosure is as follows:

- "1. issuing a Directors' Circular dated September 8, 1980, which did not comply with the requirements of the Act and regulations,
2. 'tipping' undisclosed information to The Toronto-Dominion Bank, and
3. issuing a letter to shareholders dated September 22, 1980, which constituted a Directors' Circular which did not comply with the Act or regulations."

3. Therefore, the issues in this proceeding are as follows:

- A. The nature and extent of the obligation under The Securities Act, 1978 (the "Act") and the Regulations thereunder (the "Regulations") to make disclosure in s directors' circular in response to a take-over bid and the sufficiency of the disclosure made in the Directors' Circular in issue;
- B. Whether the Respondents, White and Scholes, were in breach of the prohibition not to inform, other than in the necessary course of business, another person or company, viz: The Toronto-Dominion Bank, of a material fact or a material change before that material fact or material change has been generally disclosed; and
- C. Whether there is any obligation to issue a second Directors' Circular after a take-over bid has been extended in time and the offer price increased.

II - THE FACTS

The Commission Staff Argument attempts a voluminous summary of the evidence. Unfortunately, this summary contains much that is irrelevant and contains a number of significant errors, attempts to draw a number of unwarranted inferences, juxtaposes unrelated events as if related and omits significant evidence. Accordingly, we consider it necessary to provide our own summary in a more chronologically oriented fashion so as to focus on the actual state of affairs and knowledge as existed at the relevant times.

In addition, we have appended to these submissions a detailed analysis of the summary of the evidence prepared by Commission Staff, which analysis demonstrates the concerns expressed above.

A. Key Dates

1. Wednesday, August 27, 1980:

Campeau Corporation ("Campeau") makes a public announcement of its intention to make a take-over bid (the "Bid") for purportedly all of the common and convertible preference shares of Royal Trustco Limited ("Royal Trustco").

2. Friday, August 29, 1980:

Campeau mails its Bid, by the terms of which:

- (a) the price offered is \$21.00 for each Class A and Class B common share and \$29.33 for each Series A and Series B preferred share;
- (b) the termination date of the Offer Period is fixed as September 19, 1980;
- (c) Campeau is not obliged to take up shares deposited if less than nine million common shares or the equivalent thereof are not on deposit at the expiry of the Offer Period;
- (d) the above condition can be waived by Campeau and Campeau can take up and pay for all shares on deposit;
- (e) Campeau reserves the right to increase from time to time the offering price and extend the Offer Period.

3. Friday, September 5, 1980:

Directors' Circular is approved by the Board of Directors of Royal Trustco.

4. Monday, September 8, 1980:

Directors' Circular and covering letter from Kenneth A. White ("White"), Chairman, President and Chief Executive Officer of Royal are mailed to the shareholders of Royal Trustco.

The Directors' Circular urges shareholders to reject the Bid and contains:

- (a) the unanimous recommendation of the Board of Royal Trustco that Campeau's Offer be rejected as not in the best interests of the Royal Trust Group;
- (b) reasons for that recommendation;
- (c) other information as required under the Act and Regulations.

5. Friday, September 19, 1980:

- (a) Initial termination date of the Offer Period under the Bid.
- (b) Although Campeau did not then disclose the number of shares deposited under the Bid as at September 19, 1980, Mr. Campeau's evidence at the hearing was that approximately 30% were deposited.
- (c) Notice of Extension by Campeau extending the offer to Thursday, October 2, 1980 and increasing the prices to \$23.00 per common share and \$32.78 per preferred share.

6. Monday, September 22, 1980:

Letter signed by White to Royal Trustco's shareholders again urging them to reject the Bid and on behalf of the Royal Trustco Directors advising shareholders that the Directors still unanimously opposed the Bid as not in the best interests of the Royal Trust Group and giving their reasons and other information.

7. Thursday, October 2, 1980:

Termination date of the Offer Period as extended. The Bid failed and Campeau decided not to waive its condition as to the minimum deposit and declined to take up the shares tendered.

B - The Facts as they relate to Issue A - Disclosure

(a) The Facts prior to the Mailing
of the Directors' Circular

(i) General Facts as to Shareholdings Prior
to the Date of the Directors' Circular

1. (a) Of the shareholders set out on page 1 of Exhibit 2, Sun Life Assurance Company of Canada ("Sun Life"), the Bank of Montreal and Commercial Union Assurance Company Limited ("Commercial Union") were shareholders of Royal Trustco as at the date of the announcement of the Bid.

(b) Those companies purchased additional shares in Royal Trustco between the date the Bid was announced and the time of the mailing of the Directors' Circular.

(c) The shareholdings of those shareholders as a percentage of the total shares outstanding as at the date of the announcement of the Bid and as at the time of mailing of the Directors' Circular were as follows:

	<u>Shares Held at Date of Bid</u>	<u>Shares Purchased</u>	<u>Shares Held at Date of Directors' Circular</u>
Sun Life	1.25 %	2.04 %	3.29 %
Bank of Montreal	6.35 %	2.65 %	9.01 %
Commercial Union	.492 %	.56 %	1.05 %

2. (a) Of the shareholders listed on page 1 of Exhibit 2 The Toronto-Dominion Bank, Oxford Development Group Limited and National Trust Co., Limited, became shareholders between the date of the Bid and the time of the mailing of the Directors' Circular.

(b) The shares purchased by those shareholders as a percentage of the total shares outstanding as at the date of the Bid were as follows:

The Toronto-Dominion Bank	9.66 %
Oxford Development Group Limited	9.50 %
National Trust Co., Limited	.51 %
	<u>19.67 %</u>

(ii) The Facts With Respect to Sun Life

1. On August 28, 1980 Sun Life took under consideration whether it would buy shares in Royal Trustco.

2. The evidence is that Mr. Scholes ("Scholes") met with Mr. Galt, Mr. McCarthy and Mr. McNeil of Sun Life on August 29, and expressed the hope that Sun Life would not tender its existing shareholdings and would purchase more shares in the market.

3. Following the meeting with Scholes, Messrs. Galt, McCarthy and McNeil continued their earlier discussions concerning the purchase of further shares in Royal Trustco and came to the conclusion that Sun Life would purchase further shares in Royal Trustco and set a tentative target of 5% which percentage was to include the then existing shareholdings of Sun Life in the amount of 1.25%.

4. Sun Life placed its order to purchase additional shares on the morning of Tuesday, September 2, 1980 and by the time of mailing of the Directors' Circular had purchased an additional 2.04% of the shares in Royal Trustco.

5. On September 3, 1980 Mr. Galt informed the Board of Directors of Sun Life at its regular meeting on that date that the management of Sun Life had taken a decision to buy more shares in Royal Trustco. The Board of Directors expressed approval of this decision and placed a limit of 10% on the total holdings of shares in Royal Trustco.

6. At this Board meeting it was agreed that it was too early to discuss let alone make any decision whether Sun Life would ultimately tender its shareholdings in Royal Trustco into the Bid.

7. At no time between August 29, 1980 and September 19, 1980 did Sun Life advise the Respondents that Sun Life would not tender its shareholdings in Royal Trustco into the Bid.

8. In fact the decision to tender or not tender was not taken by Galt on behalf of Sun Life until September 19, 1980.

9. Sun Life did not tender because it had made a determination that the Campeau offer price was too low.

Comments on the Submissions of Commission
Staff with Respect to Sun Life

1. (a) At page 17 of their submissions, the Commission Staff stated "Galt indicated to Scholes that Sun Life would not be tendering under the bid".

(b) Further at page 20 of their submissions, the Commission Staff stated "By the evening of September the 3rd, 1980, Scholes was aware...of the fact that they (Sun Life) would not be tendering under the Bid".

2. These statements are incorrect and are contrary to the evidence.

3. The evidence of Mr. Galt is as follows:

"Q. Prior to the 19th of September, 1980 did you advise Mr. White or Mr. Scholes or anyone on behalf of Royal Trustco that Sun Life would not tender its shares?

A. No".

[Vol. 2, p. 233, ll. 5 to 10]

4. The evidence of McNeil of Sun Life was to the same effect: "They had no means of knowing whether we would or whether we would not. I don't know how they would have."

[Vol. 1, p. 187, ll. 28 to 30]

5. In this same regard Mr. Galt testified that at the meeting of the Board of Directors of Sun Life on September 3, 1980 "the point was raised at the Board meeting about tendering and it was agreed it was too early, really, to discuss it, let alone make any decision".

[Vol. 2, p. 225, l. 25 to p. 226, l. 2]

6. In fact, Sun Life did not make its decision as to whether it would tender or not tender until September 19, 1980 and accordingly the Submissions made by Commission Staff cannot be supported by the evidence.

(iii) The Facts with Respect to the Bank of Montreal

1. The Bank of Montreal has historically been the lead banker for Royal Trustco.

2. The Bank of Montreal has traditionally held just under 10% of the issued stock of Royal Trustco.

3. On August 27, 1980 the Respondent White met with Mulholland, the President of the Bank of Montreal. At that time he did not elicit support from the Bank of Montreal. White was told the same thing that Campeau was told, viz: that the Bank was not then minded to tender its shares into the Bid.

4. At all times it was assumed that the Bank of Montreal held just under 10% of the stock of Royal Trustco.

5. When Mulholland discovered the next day (August 28, 1980) that the Bank's holdings had dropped below its traditional percentage holdings of Royal Trustco stock he instructed the appropriate Bank personnel to restore the holdings to traditional levels.

6. Mulholland did not provide White with any long term commitment as to what the Bank would do with its stock in Royal Trustco. Mulholland testified that one could not give that kind of commitment since that decision was directly tied to the price offered, from time to time, under the Bid.

Comments on the Submission of Commission Staff
with Respect to the Bank of Montreal

1. At page 8 of its submissions, the Commission Staff said: "...the Bank's position was clear throughout to both Campeau and White - i.e. that it...would not be tendering under the bid". (underlining added)

2. This statement is contrary to the evidence. The particular evidence of Mulholland relied upon by the Commission Staff relates to the meeting of August 27th and is "We were not then minded to tender...". (underlining added).

3. Mulholland gave further evidence to the contrary:

"Q. Did you ever give Mr. White a commitment that you would not tender or was it generally the indication...?"

A. No. I am sure Mr. White is experienced enough to not even ask and he didn't".

[Vol. 2, p. 248, l. 16 to 22]

4. Mulholland's evidence in respect to the period subsequent to September 19, is as follows: "My recollection...and is not an absolute one...is that after the 19th...my exposure to any of the parties fizzled away to nothing...".

[Vol. 2, p. 291, l. 3 to 15]

(iv) The Facts with Respect to Commercial Union

1. At some time after August 27, 1980 and prior to September 2, 1980 one Roger Otley of Royal Trust Corporation of Canada was advised by Robin Denman the Investment Manager of Commercial Union that Commercial Union would not tender its then existing shareholdings in Royal Trustco into the Bid.

2. There was no request made of Commercial Union to purchase further shares of Royal Trustco.

3. On September 2, 1980, Mr. Denman telephoned White to tell him that Commercial Union had decided to purchase further shares in Royal Trustco.

4. Mr. Denman gave White no assurance that Commercial Union would not tender these further shares into the Bid.

(v) The Facts with Respect to The Toronto-Dominion Bank

1. Neither White nor Scholes:

- (a) encouraged The Toronto-Dominion Bank to purchase shares in Royal Trustco;
- (b) was aware, prior to September 8, 1980, that the Bank had purchased shares in Royal Trustco;
- (c) had any information prior to September 8, 1980 as to the intention of the Bank with respect to the tender of its shares in Royal Trustco into the Bid.

(vi) The Facts with Respect to Oxford Development Group Limited

1. Neither White nor Scholes:

- (a) encouraged Oxford Development Group Limited to purchase shares in Royal Trustco;
- (b) was aware, prior to September 8, 1980, that Oxford Development Group Limited had in fact purchased shares in Royal Trustco, or
- (c) had any information, prior to September 8, 1980 of the intention of Oxford Development Group Limited with respect to the tender of its shares in Royal Trustco into the Bid.

(vii) The Facts with Respect to National Trust

1. This firm was the depositary under the Bid.

2. Neither White nor Scholes:

- (a) encouraged this firm to buy shares;

- (b) was aware it had bought shares;
- (c) had any information with respect to its intentions in respect of the shares it purchased.

(viii) Summary

1. As at September 8, 1980, the Respondents were aware that Sun Life, the Bank of Montreal and Commercial Union were shareholders but had no such knowledge with respect to The Toronto- Dominion Bank, Oxford Development Group Limited or National Trust.

2. There is no evidence that the Respondents were aware of the total shareholdings of Sun Life and Commercial Union as at September 8, 1980. White assumed that the Bank of Montreal held just under 10%.

3. The extent of the shareholdings of those firms as at that date were:

Sun Life	3.29 %
The Bank of Montreal	9.01 %
Commercial Union	1.05 %
	<u>13.35 %</u>

4. (a) The Respondents had no knowledge of the tendering intention of Sun Life. In fact Sun Life did not make that decision until September 19, 1980.

(b) White was advised by Mulholland on August 27, 1980 that as then minded the Bank of Montreal would not tender its shares. However, Mulholland gave White no long term commitment in that regard; White did not seek one and he, Mulholland, could not have given one.

(c) Otley of Royal Trust Corporation of Canada was advised by Denman between August 27, 1980 and September 2, 1980 that Commercial Union would not tender its then shareholdings.

(d) The Respondents had no knowledge of the tendering intention of The Toronto-Dominion Bank, Oxford Development Group Limited and National Trust.

5. Accordingly the only statement bordering on a commitment was that of Commercial Union with respect to .492% of the shares (increasing to 1.05% by the date of the Directors' Circular).

(b) - The Facts with respect to
the Pension Fund Matter

1. On August 28th and 29th, 1980, orders were placed for shares of Royal Trustco on behalf of the Royal Trust Pension Fund.
2. Between August 29th and September 2nd it was determined that those orders should not be completed on behalf of that Fund.
3. Those orders were instead taken over by Sun Life on the 2nd of September and were completed for the account of Sun Life.
4. There is no suggestion on the evidence that any further orders were placed for the Fund or that there was an intention to continue such purchases as a "strategy" to defeat the Bid.

Comments on the Submissions of Commission Staff
With Respect to The Pension Fund Matter

1. (a) At page 14 of those submissions it is stated:
"...This strategy was likewise never revealed to the shareholders..."
(b) What reason could there be to disclose a "strategy" that never, in fact, was pursued?
(a) At page 15 of those Submissions, Commission Staff has the following statement of "fact"
"...by Friday, August 29th, 1980... the Respondents had made a capital outlay of slightly in excess of eight million dollars in order to purchase shares for the Pension Fund."
(b) Once again there is no such evidence. In fact the evidence is to the contrary.

The Commission Staff relies on Exhibit 2, pp. 4 and 5. That Exhibit merely records the dates of the placing of orders and the relevant prices and does not purport to record a payment by the Pension Fund.

3. The evidence is as follows:

(a) Taylor

- (i) "(MYW) received payment from the Royal Trust on behalf of their client Sun Life (not on behalf of the Pension Fund)"

(ii) that the settlement dates for the orders were "the fifth trading date(s) following the date(s) of execution" (viz: September 4th and 5th).

[Vol. 4, p. 599, ll. 1 to 26]

(b) McNeil

"that we opened another account with Royal Trustco and we sent them the cheques over and paid for delivery on the regular delivery dates in the right amount."

[Vol. 1, p. 175, ll. 5 to 15]

(c) - The Facts with respect to Plan A (A-1)

1. All of the approaches described below were made by McLeod Young Weir.

2. (a) The approach to The Toronto-Dominion Bank came to naught on September 1, 1980.

[Vol. 4, p. 600, ll. 6 to 15]

(b) Cemp rejected the concept on September 2, 1980.

[Vol. 4, p. 601, ll. 1 to 11]

(c) Chieftan rejected the proposal on September 4th or 5th, 1980.

[Vol. 4, p. 601, l. 17 to p. 603, l. 6]

(d) Noranda expressed its total lack of interest in Plan A (A-1) on September 7th, 1980.

[Vol. 4, p. 603, ll. 7 to 13]

3. Plan A (A-1) was a non-starter as of September 8th, 1980.

[Vol. 4, p. 603, ll. 15 to 21]

4. The only discussion concerning Plan A following September 8, 1980 occurred on September 15th. This occurred during a conversation with CanWest and the information was passed along by Taylor as an historical fact.

[Vol. 4, p. 555, ll. 14 to 17
p. 604, ll. 1 to 19]

5. There were no approaches made following September 8th, 1980 to encourage participation in a Plan A (A-1) concept.

7. How would disclosure of an abortive plan no longer on foot be material?

(d) - The Facts relating to the
September 19 - October 2 Period

1. Although the Commission Staff Argument makes reference to a "first bid" and a "second bid", it is important to note that there were not two different bids but rather one bid pursuant to the terms of which Campeau could from time to time (a) extend the expiry date and (b) increase the offering price for the shares that formed the subject matter of the Bid.

2. The initial expiry date of the Bid was September 19, 1980.

3. At that first expiry date the shares deposited did not satisfy the minimum tendering condition set out therein. Campeau did not waive that condition and as a result the shares tendered were not taken up.

4. Campeau did not disclose the number of shares tendered into the Bid as at September 19, 1980 and this Commission did not request or require that such disclosure be made.

5. By Notice of Extension and Price Increase dated September 19, 1980 Campeau extended the offer to 4:30 p.m., October 2, 1980 and increased the price to \$23.00 per common share and \$32.78 per preferred share.

6. The most that can be said of the statements of Denman of Commercial Union between August 27 and September 2, of Mulholland of the Bank of Montreal on August 27, 1980 and of Powis of Noranda on September 17, 1980, was that as of those dates those parties were not inclined to tender their shares into a Bid at a price of \$21.00 per common share.

There is no suggestion whatever that they were addressing their minds and comments to a Bid at a price of \$23.00 per common share or at any other price Campeau might see fit to offer under the provisions of its Bid.

7. (a) Mulholland of the Bank of Montreal had no relevant contact with the Respondents subsequent to September 19, 1980.

[Vol. 2, p. 290, l. 24 to p. 291, l. 14]

(b) Powis of Noranda had no contact with the Respondents between the 18th of September and the 2nd of October.

[Vol. 3, p. 466, ll. 26 to 30,
p. 469, ll. 8 to 11]

8. (a) There was no relevant contact between Sun Life and the Respondents between September 19 and October 2, 1980.

[Vol. 2, p. 233, ll. 19 to 25]

(b) The only contact between The Toronto-Dominion Bank and the Respondents during this period occurred on September 22, 1980. In that conversation White said "I hope you won't at twenty-three" and Thomson "said exactly what we said to him when we broke up on the 17th meeting 'We will consider all factors right up until the end'...".

[Vol. 2, p. 397, ll. 8 to 25]

(c) There was no contact between the CIBC and the Respondents during this period.

[Vol. 3, p. 481, ll. 10 to 15
p. 487, l. 9 to p. 492, l. 5]

9. There is no suggestion of any contact during this period with National Trust, Canadian Pacific Ltd., Midlantic Bank, Atlantic Capital Corporation or Hong Kong and Shanghai Banking Corporation.

10. The meeting between Love of Oxford and the Respondents took place on September 23, 1980.

11. The purchases by Olympia & York Investments Limited were made between September 25 and September 30. Two-thirds of its purchases were made on September 30, two days prior to the extended termination date of the Bid.

C - The Facts as They Relate to Issue B - "Tipping"

(a) Whether what was said was "Fact"

(i) Sun Life

1. At no time prior to the initial expiry date of the Bid did Sun Life advise White, Scholes or anyone on behalf of Royal Trustco that it would not be tendering its shares into the Bid.

2. In fact the decision not to tender those shares was made by Galt on September 19th.

(ii) The Bank of Montreal

1. At no time prior to the initial expiry date of the Bid did the Bank of Montreal give the Respondents a commitment that it would not tender its shares into the Bid on September 19th nor did White ask for such a commitment.

2. On August 27th Mulholland told White, and for that matter Campeau, that he was "not then minded to tender ...". However he further testified that he did not, at that time, give White any long-term commitment as to what the Bank of Montreal was minded to do, "You can't make those kind of commitments."

[Vol. 2, p. 279, l. 20 to p. 280, l. 3] Mr. Campeau did not believe that Mulholland had made a firm commitment as he requested Mulholland to tender on September 19th, 1980.

(iii) The Toronto-Dominion Bank

1. There was no contact between the Toronto-Dominion Bank and Royal Trustco between September 2 and September 17, 1980.

2. At the meeting of September 17th, the Bank confirmed that it wished to keep its options open.

3. The Toronto-Dominion Bank did not make its decision in respect to tendering until "the very last minute" on September 19th. [Vol. 2, p. 358, l. 29 to p. 359, l. 14; p. 361, ll. 15 to 23)

(iv) Oxford Development Group Ltd.

1. There was no contact between Oxford and the Respondents prior to September 23rd, 1980.

2. There was no contact whatever between Oxford and Taylor.

(v) National Trust

1. There is no suggestion on the evidence that the Respondents knew this firm had purchased shares of Royal Trustco let alone knew of its intention in respect of the tendering of those shares.

(vi) Commercial Union

1. There is evidence that Denman implied to Otley that Commercial Union would not tender its then existing shareholdings (.492%). Its total holdings increased to 1.05%.

(vii) Noranda Mines Limited

1. There was no contact between Noranda and the Respondents from September 7, 1980 to September 17, 1980. Powis on the 17th of September telephoned White to inquire "how he felt the bid was going to turn out" and White said that "he was hopeful that it would fail". Nothing further was discussed.

[Vol. 3, p. 465, ll. 10 to 27]

(viii) Canadian Pacific Limited

1. There is no suggestion on the evidence that the Respondents knew of this purchase let alone had knowledge of this firm's intention with respect to the tender of its shares.

(ix) Canadian Imperial Bank of Commerce

1. On August 29th Harrison told White that the Bank did not have room in its portfolio to make a purchase of Royal Trustco shares.

2. Harrison did not speak to White about the Bid between August 29th and October 2nd. [Vol. 3, p. 481, ll. 10 to 15]

3. Harrison did not advise the Respondents during the currency of the Bid that the CIBC had purchased shares. [Vol. 3, p. 481, ll. 17 to 20]

4. Cole did not advise the Respondents that the CIBC had purchased shares. [Vol. 3, p. 493, ll. 23 to 25]

(x) Midlantic National Bank

1. This firm was not a shareholder at the time of the meeting with The Toronto-Dominion Bank.

(xi) Atlantic Capital Corporation

1. There is no evidence that the Respondents were advised as to the intention of this firm with respect to tendering or not tendering its shares into the Bid.

(xii) Hong Kong and Shanghai Banking Corporation

1. This firm was not a shareholder at the time of the meeting with The Toronto-Dominion Bank.

(xiii) Olympia & York Investments Ltd.

1. This firm was not a shareholder at the time of the meeting with The Toronto-Dominion Bank.

(xiv) Summary

1. (a) Accordingly, as of September 17th, 1980 the only shareholders on page 1 of Exhibit 2 with respect to which the Respondents had some knowledge of their tendering intention were (a) Commercial Union, and (b) The Bank of Montreal.

(b) (i) The Commercial Union intention was expressed by Denman to Otley between August 27th and September 2nd, 1980.

(ii) The Bank of Montreal intention was expressed by Mulholland on August 27th in the words "not then minded to tender". However Mulholland made it clear that "then" meant what it does in the ordinary course of human experience, viz: it was not a long term commitment because "You can't make those kind of commitments." White did not ask any commitment from Mulholland and none was given.

(b) - Whether what was said was Expressed
as "Fact" and was "Material"

1. The evidence of Mr. Hockin is that White's assessment was "...very much guessing very much his estimate, his guess as to what might happen" and was so regarded. [Vol. 2, p. 356, l. 24 to p. 357, l. 16]

2. The evidence of Mr. Thomson was that they were listening "to a man who did not want the offer to succeed, who was extremely hopeful..." and that he regarded the remarks of White as those of a salesman making a sales pitch "which is what he had been doing in the newspapers ...ever since the offer". [Vol. 2, p. 392, l. 28 to p. 393, l. 16]

3. The Bank regarded the statements as "guesstimates", which is evidenced by the language in which they were expressed, and the materiality given to them by the Bank is set out in the evidence of Hockin and Thomson:

(a) Hockin

"Q. After Mr. White left, was it your impression that the bid was going to be defeated, likely to be defeated?

A. We still didn't know. We really were not sure until the results came out. In fact, we left our own shares in as liquid form as possible until the very last minute.

Q. Are you saying, then, sir, there was some consideration given by the Bank to tendering under the Bid?

A. Oh, yes. Oh, yes. We continued to hold until the very end, as to what our action should be."

[Vol. 2, p. 358, l. 29 to p. 359, l. 14]

"Q. Apart from that, I gather there were two principal topics, apart from that sort of general mutual regard. One was the possibility of the likelihood of the failure of the bid? (Underlining added)

A. Yes.

Q. Mr. White gave you that impression at least?

THE WITNESS: That is ...he quite obviously hoped and I would say perhaps wishfully hoped, and perhaps because of that expected it would fall, that the bid would fall. But he gave us an indication that he thought that with the kind of rough jottings that ...the bid would not succeed.

MR. BRAY: How much certainty did there seem to be in these figures he was giving?

THE WITNESS: Not enough certainty for us to be convinced he was right, at the end of it." (underlining added)

[Vol. 2, p. 365, l. 18 to p. 366, l. 8]

(b) Mr. Thomson

"I remember after he left ...one of the people we questioned about was the Bank of Montreal, and it was clear he had no, you know, deal, in quotes, with the Bank of Montreal. In fact, after he left, we commented he never even mentioned that the Bank of Montreal had ten per cent, and that bothered us, because it was, you know, it showed how vague he was. It is an illustration of the fact, that ...anyway, we decided to prepare our shares and make sure they were in real good form for tendering."

[Vol. 2, p. 395, l. 23 to p. 391, l. 2]

4. The materiality of the "guesstimate" is best exemplified by the following evidence of Mr. Hockin, which describes the information used by the Bank to form its judgment as to the success or failure of the Bid:

"MR. BRAY: I wondered what, apart from sitting around and wringing your hands, which I doubt is what you did ...and worrying among yourselves, what steps, if any did you take to try and alleviate those concerns. Obviously you are the only one who can speak?

THE WITNESS: Took no other steps except to try and assess as closely as we could, the likelihood of the success of the takeover bid.

MR BRAY: How did you do that?

THE WITNESS: By watching the market very carefully and by listening to anyone who would tell us what they thought was likely to happen. The Street talks a great deal, as you know, about it, at times like this, and one tries to keep one's ears open and so all the input you can get, goes into your judgment as to whether the bid is likely to succeed or whether it isn't."

[Vol. 2, p. 363, l. 19 to p. 364, l. 8]

(c) - The Discussion Concerning Dividends

1. The evidence on this subject must surely put a weary ghost to rest. On the evidence it is clear that the Respondents White and Scholes did not "tip" The Toronto-Dominion Bank in respect of a dividend increase or even go to the extent of saying that "Royal Trust management was considering recommending" a dividend increase (even if the latter could amount to a "tip" in law).

2. The evidence of Hockin is found at Vol. 2, p. 366, l. 1 to p. 369, l. 11

3. The evidence of Thomson is found at Vol. 2, p. 396, l. 11 to 25

III - THE LAW

A. - DISCLOSURE OBLIGATIONS DURING A TAKE-OVER BID

1. The legal issues arising in respect of the Directors' Circular of September 8, 1980 are:

- (a) What is the nature and extent of the obligation of a target company to make disclosure in a take-over bid context; and
- (b) Was sufficient disclosure made by Royal Trustco in that context under the Act and Regulations?

2. These obligations are found in Section 96 of the Act and in Section 74 of the Act. It should be pointed out that the obligations found in Section 74 are not limited to but include timely disclosure during a take-over bid.

(a) SECTION 96 OF THE ACT

1. Section 96 of the Act constitutes the statutory basis for a "directors' circular" and stipulates how it is to be prepared:

96(1) "The board of directors of an offeree company shall send a directors' circular to each offeree not later than ten days from the date of the take-over bid prepared in accordance with the regulations."

2. Section 165 of the Regulations requires that this statutory creation contain the information prescribed in Form 32.

3. Form 32 sets out with particularity the types of information deemed by the Legislature to be material in Items 1 to 11, inclusive. In addition, Form 32 contains the following omnibus provision.

"Item 12 Other Information

State the particulars of any other information not disclosed by the foregoing but known to the directors which would reasonably be expected to affect the decision of the security holders of the offeree company to accept or reject the offer." (underlining added)

4. (a) The information contemplated by Item 12 of Form 32 is material facts relating to the decision of a security holder of the target company to accept or reject the offer contained in the Bid.

(b) This is clear from the provisions of Item 18 of Form 32. Item 18 of Form 32 sets out the certification that is to be

included in a Directors' Circular and which attests to the accuracy of the answers to be provided to Items 1 to 12 inclusive. That certification provides that the response made to those items.

"contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made". (underlining added)

(c) The materiality of the fact is determined by reference to Item 12 which requires the provision of facts.

"...which would reasonably be expected to affect the decision of the security holders of the offeree company to accept or reject the offer". (underlining added)

5. Section 127(2) further supports this interpretation since it provides for a remedy in the event of a "misrepresentation" in a Directors' Circular. Section 1(1) 24 defines "misrepresentation" as, inter alia, "an untrue statement of material fact".

6. (a) The Commission Staff Argument suggests that Item 18 of Form 32 also constitutes a separate head of information that must be provided in a Directors' Circular. Such a submission is clearly unfounded.

(b) As stated earlier, Item 18 provides that a certificate is to be included as part of a Directors' Circular attesting to the accuracy of the facts provided in answer to Items 1 to 12 inclusive. It does not require the provision of facts in addition to those required by Items 1 to 12 inclusive but rather requires that the Directors certify that the facts required to be set forth are correct and not misleading.

7. In assessing what constitutes "other information" in the context of Item 12, Directors are first obligated to determine what are the actual facts (as distinguished from speculation or hope) known at the time the Directors' Circular is prepared and then to assess these known facts to determine if they "would reasonably, be expected to affect the decision of security holders to accept or reject the offer", viz: their materiality. (underlining added)

8. The Commission Staff Argument goes on at some length at page 72 and following in an effort to establish what other jurisdictions deem material and what various commentators consider is, or ought to be, material. This argument is addressed elsewhere below. It is submitted, at this juncture, that whatever standard is imposed, it must relate only to facts and such facts must, without speculative embellishment, be material.

9. What test is to be employed to determine when something is a "fact"?

10. Fact is defined as follows:

Oxford English Dictionary

"4. Something that has really occurred or is actually the case; something certainly known to be of this character; hence, a particular truth known by actual observation or authentic testimony, as opposed to what is merely inferred or to a conjecture or fiction; a datum of experience, as distinguished from the conclusions that may be based upon it.

Webster's New International Dictionary

"3(a) Something that has actual existence... (c) a verified statement or proposition... 5 an assertion, statement or information containing or purporting to contain something being objective reality."

11. The following American authorities are of assistance in determining when something becomes a fact sufficient to require disclosure of it:

(a) Mitchell v. Texas Gulf Sulphur Co., (1971), (CCH) Fed. Sec. L. Rep. 93,019 (C.A. - 10th Circuit). In this case the Federal Court of Appeal restated the ratio of its decision in SEC v. Texas Gulf Sulphur Co. 401F 2d 833 (2 Cir., 1968) in the following language:

"Simply stated, when the material information is available and ripe for publication, the difficulties inherent in formulating a release cannot overbear the accuracy of the statement contained therein."

(b) Financial Industrial Fund, Inc. v. McDonnell, Douglas, (1973), Fed. Sec. L. Rep. (CCH), para. 93773. In this case the Federal Court of Appeal defined what it meant in the two earlier cases when it referred to material information as being "available and ripe for publication". The Court had this to say in that regard:

"On another point, we held in Mitchell v. Texas Gulf Sulphur Co., 446 F. 2d 90 (10th Cir.), that the information about which the issues revolve must be 'available and ripe for publication' before there commences a duty to disclose. To be ripe under this requirement, the contents must be verified sufficiently to permit the officers and directors to have full confidence in their accuracy." (underlining added)

(c) James v. Gerber Products Company, et al, (1978), Fed. Sec. L. Rep. (CCH) para. 96607. This case was decided by the Federal Court of Appeal subsequent to the decision set out in (a) and (b) above and defines when something becomes a fact requiring disclosure. The Court had this to say in that regard:

"The undisclosed information in dispute, therefore, is comprised of interim earnings figures that circulated through Gerber in the normal course of its business. Such sales figures, projections, forecasts and the like only rise to the level of materiality when they can be calculated with substantial certainty." (underlining added)

(b) - There is no Statutory Obligation to deliver an Amending Directors' Circular or a further Directors' Circular - The Letter of September 22, 1980 is Neither a Directors' Circular nor a Director's Circular

1. It is alleged in paragraph 8 of the Notice of Hearing that Royal Trustco and White caused a letter dated September 22, 1980 to be sent to the shareholders of Royal Trustco, which letter constituted a directors' circular that did not comply with Section 165 of the Regulations.

2. The real issue is whether, in law, the provisions of Section 165 of the Regulations have application to the contents of the letter of September 22, 1980.

3. Regulation 165 applies to "a Directors' Circular" and provides that such a Circular "shall contain the information prescribed in Form 32".

4. (a) "A Directors' Circular" is a statutory creature created by and required under the provisions of Section 96(1) of the Act. "Directors' Circular" is the name given to the document created

by that Section that shall be sent to "each offeree not later than ten days from the date of the take-over bid". It is this document that is required to be "prepared in accordance with the Regulations" viz: Section 165.

(b) The Act does not provide that a document containing certain information or emanating from or on behalf of a particular source, viz: the Board of Directors is, ipso facto, "a Directors' Circular". Rather it provides that the document created by Section 96(1) as "a Directors' Circular" shall be sent to shareholders and that that document shall be "prepared in accordance with the Regulations".

5. Accordingly, the provisions of Regulation 165 apply to one thing and one thing only, that document called "a Directors' Circular" created and required by Section 96(1) of the Act. It does not apply to every communication made by or on behalf of a Board of Directors to shareholders whether by letter, newspaper, television, radio or any other form of communication.

6. This is patently clear from the provisions of Section 96(4) of the Act. Pursuant to that subsection the Board of Directors of a target company, once they satisfy their obligations under Section 96(1) by sending "a Directors' Circular" to shareholders, may send a further communication to those shareholders in which they set out their recommendation with respect to the acceptance or rejection of the Bid. It cannot be reasonably suggested that that "further communication" is "a Directors' Circular" since the two terms are used in contradistinction one with the other in this subsection. Accordingly, it cannot be suggested that the provisions of Section 165 of the Regulations would, in law, apply to that subsequent communication.

7. If the Board of Royal Trustco had not included its recommendation to reject the Bid in its Directors' Circular of September 8, 1980, it could have advised shareholders not to tender until after receiving a further communication. In these circumstances, the Board would have been at liberty to send a letter substantially in the form of the letter of September 22, 1980 without any suggestion that it was a Directors' Circular.

8. Section 96 of the Act requires the Board of Directors of an offeree company to send a directors' circular to each offeree not later than ten days from the date of the take-over bid prepared in accordance with the Regulations. Such a Circular was sent by Royal Trustco within the time limited therefor. Neither Part XIX of the Act nor the Regulations impose any further obligation on the Directors of an offeree company to communicate with the offeree shareholders. It is acknowledged by

the Commission Staff at page 89 of their written argument that an amendment to the Directors' Circular of September 8, 1980 is not required by the Act.

9. Section 90 of the Act imposes an obligation on the offeror to send to offerees a notice of change when a significant change has occurred in the information contained in a take-over bid circular while the offer is still outstanding. Section 90(1) reads as follows:

"Where a significant change has occurred in the information contained in a take-over bid circular or issuer bid circular while the offer is still outstanding or where a take-over bid or an issuer bid has been varied by changing any of its terms, every person or company whose shares have not been taken up and paid for and who has been sent the take-over bid circular or issuer bid circular shall be sent notice of such change or variation and, except where a variation is solely an increase in price, the date of the take-over bid or issuer bid shall, for the purposes of Section 89, be deemed to be the date of the sending of the notice of such change or variation." (underlining added)

Neither Section 96 nor any other provision of the Act or Regulations imposes a similar obligation on the directors of an offeree company.

10. Reference by Commission Staff to Section 170 of the Regulations is a red herring. As pointed out in the preceding paragraph, that regulation has no statutory antecedent and accordingly has no statutory foundation. In any event, Section 170 does not incorporate Section 165 and attempt to require Form 32 disclosure in respect to its content.

11. Accordingly, the Act does not create and require a document known as an amendment to a Directors' Circular to be sent to shareholders where a significant change has occurred in the information contained in the "Directors' Circular" required by Section 96(1) or in any other circumstances.

12. In the absence of such a statutory creature and of language in the Act tying that creature to the Regulations and the forms created by them, the provisions of Section 165 of the Regulations and of Form 32 do not apply to communications to

shareholders other than "a Directors' Circular" created by Section 96(1).

13. The following amendments to the Act have been proposed as of December 5th, 1980:

: MENDED SECTION

EXPLANATORY NOTES

96a(1) Where a significant change has occurred in the information contained in a directors' circular that has been sent to offerees under subsection 1 of section 96 or a director's or officer's circular that has been sent to offerees under subsection 3 of section 96 the board of directors of the offeree or the individual director or officer, as the case may be, shall forthwith send to each offeree an amendment to the circular disclosing the nature and substance of the change.

The amendment requires the sending of an amendment to a directors' circular or director's circular where a significant change has occurred in the information contained in the circular.

(2) All communications required or permitted by this section shall be communicated to each offeree by prepaid mail to his latest address as shown on the books of the offeree company, by personal delivery or in such other manner as the Director may approve.

The amendment adopts the flexibility provided for in Section 91 of the Act.

These proposed amendments are consistent with and support the interpretation that the Act does not now require such ongoing disclosure.

14. In endeavouring to categorize the letter to shareholders of September 22, 1980 as a deficient Directors' Circular or Director's Circular the Commission Staff relies upon the following three arguments:

- (1) The letter had the key attributes of a Directors' Circular;
- (2) Any such communication with shareholders would be relied upon by shareholders as legally mandated disclosure and would mislead if it provided less information than required by Form 32;

- (3) If not a Directors' Circular or amendment thereto, the letter of September 22, 1980 was a Director's Circular.

15. Each of these arguments is addressed separately below:

1. The letter of September 22, 1980 had the attributes of a directors' circular.

- (a) The Respondents repeat here their previous submissions on the issue of what is or is not a Directors' Circular at law. Briefly, their submission is that a Directors' Circular does not become such in law because of its attributes or by reason of its source;
- (b) In any event the letter of September 22, 1980 is in essence a recommendation of the Board of Directors of Royal Trustco to reject the Bid at the increased price with a statement of the reasons for that recommendation;
- (c) Such a document is not a Directors' Circular. It is the kind of communication expressly contemplated by Section 96(4) of the Act which provides for a communication setting out the recommendation of the directors that is separate and distinct from a directors' circular;
- (d) It is therefore submitted that absent an affirmative obligation to send a subsequent directors' circular or to send an amendment thereto, it is not open in law to the Commission to categorize a communication to shareholders as a directors' circular or amendment thereto.

2. The September 22, 1980 communication with the shareholders would be relied upon by shareholders as legally mandated disclosure and would mislead if it provided less information than required by Form 32.

- (a) There is no evidence that could form the slightest foundation for this as a statement of fact. It has not the slightest merit as a statement of law. It is clear from the Act that communications can be made to shareholders in a take-over bid context that are in no way tied to Form 32. This statement is the height of sophistry in that it would logically lead to the conclusion that any and all documents sent to shareholders must comply with

4. It is not suggested by Commission Staff that there has been any breach of this Section.

B - SECTION 75 - "Tipping"

1. (a) Section 75(1) of the Act reads as follows:

"No person or company in a special relationship with a reporting issuer shall,

- (a) purchase or sell securities of the reporting issuer with the knowledge of a material fact or material change in the affairs of the reporting issuer that he or it knew or ought reasonably to have known had not been generally disclosed; or
- (b) inform, other than in the necessary course of business, another person or company about a fact or change which he knows is a material fact or material change before the material fact or material change has been generally disclosed."

Section 75(1) does not create any positive disclosure obligations. As set out earlier, in a take-over bid context these obligations are contained in Sections 74 and 96 of the Act.

- (b) Section 75(1)(a) embodies the classic securities law prohibition against insider trading.
- (c) Section 131 of the Act contains the statutory dual liabilities to the reporting issuer and to the persons with whom the trades were made when trading on the basis of insider information in fact occurs.

2. There is no suggestion either in the Notice of Hearing or in the evidence adduced at the Hearing that anyone purchased or sold securities of Royal Trustco with knowledge of a material fact or material change in the affairs of Royal Trustco which had not been generally disclosed. Hence, the evil to which sections 75 and 131 of the Act are addressed simply did not occur.

3. It is true that Section 75(1)(b) of the Act also prohibits a person in a special relationship with a reporting issuer, such as White and Scholes, from informing, other than in the necessary course of business, another person or company about a fact or change which he knows is a material fact or material change before it has been generally disclosed. However, it is clear that the liabilities under Section 131 only apply where a purchase or sale of securities followed upon such disclosure.

Where, as in this case, no purchase or sale was made or even alleged to have been made on use of any such information it is difficult to discern what wrong could be said to have been done even if White or Scholes had disclosed to any person a material fact or material change not generally disclosed. In the U.S. as well, there is no liability unless there is a trade by the tippee. Elkind v. Liggett and Myers, Inc. (1980), CCH Sec. L. Rep. 97,716 at page 98,752.

4. In any event, the Respondents submit that White and Scholes did not inform any person of any information which would constitute a "material fact" or "material change in the affairs" of Royal Trustco which had not been generally disclosed.

5. There is no suggestion in the Commission Staff Argument that there was disclosure of any material change relating to the affairs of Royal Trustco. Accordingly, there is no need to consider the prohibition on disclosure of "material changes".

6. "Material fact" is defined in s. 1(1)22. of the Act as follows:

"material fact" when used in relation to securities issued or proposed to be issued means a fact that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of such securities."

7. While it is perhaps self-evident, it is important to note that a fact could only be a "material fact" if it is first a fact. The relevant definition of "fact" in the Oxford English Dictionary reads:

"4. Something that has really occurred or is actually the case; something certainly known to be of this character; hence, a particular truth known by actual observation or authentic testimony, as opposed to what is merely inferred or to a conjecture or fiction; a datum of experience, as distinguished from the conclusions that may be based upon it."

Similarly, the relevant portion of the definition in Webster's New International Dictionary provides:

"3a. Something that has actual existence... (c) a verified statement or proposition ...5. an assertion, statement or information containing or purporting to contain something having objective reality."

4. It is not suggested by Commission Staff that there has been any breach of this Section.

B - SECTION 75 - "Tipping"

1. (a) Section 75(1) of the Act reads as follows:

"No person or company in a special relationship with a reporting issuer shall,

- (a) purchase or sell securities of the reporting issuer with the knowledge of a material fact or material change in the affairs of the reporting issuer that he or it knew or ought reasonably to have known had not been generally disclosed; or
- (b) inform, other than in the necessary course of business, another person or company about a fact or change which he knows is a material fact or material change before the material fact or material change has been generally disclosed."

Section 75(1) does not create any positive disclosure obligations. As set out earlier, in a take-over bid context these obligations are contained in Sections 74 and 96 of the Act.

- (b) Section 75(1)(a) embodies the classic securities law prohibition against insider trading.
- (c) Section 131 of the Act contains the statutory dual liabilities to the reporting issuer and to the persons with whom the trades were made when trading on the basis of insider information in fact occurs.

2. There is no suggestion either in the Notice of Hearing or in the evidence adduced at the Hearing that anyone purchased or sold securities of Royal Trustco with knowledge of a material fact or material change in the affairs of Royal Trustco which had not been generally disclosed. Hence, the evil to which sections 75 and 131 of the Act are addressed simply did not occur.

3. It is true that Section 75(1)(b) of the Act also prohibits a person in a special relationship with a reporting issuer, such as White and Scholes, from informing, other than in the necessary course of business, another person or company about a fact or change which he knows is a material fact or material change before it has been generally disclosed. However, it is clear that the liabilities under Section 131 only apply where a purchase or sale of securities followed upon such disclosure.

Where, as in this case, no purchase or sale was made or even alleged to have been made on use of any such information it is difficult to discern what wrong could be said to have been done even if White or Scholes had disclosed to any person a material fact or material change not generally disclosed. In the U.S. as well, there is no liability unless there is a trade by the tippee. Elkind v. Liggett and Myers, Inc. (1980), CCH Sec. L. Rep. 97,716 at page 98,752.

4. In any event, the Respondents submit that White and Scholes did not inform any person of any information which would constitute a "material fact" or "material change in the affairs" of Royal Trustco which had not been generally disclosed.

5. There is no suggestion in the Commission Staff Argument that there was disclosure of any material change relating to the affairs of Royal Trustco. Accordingly, there is no need to consider the prohibition on disclosure of "material changes".

6. "Material fact" is defined in s. 1(1)22. of the Act as follows:

"material fact" when used in relation to securities issued or proposed to be issued means a fact that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of such securities."

7. While it is perhaps self-evident, it is important to note that a fact could only be a "material fact" if it is first a fact. The relevant definition of "fact" in the Oxford English Dictionary reads:

"4. Something that has really occurred or is actually the case; something certainly known to be of this character; hence, a particular truth known by actual observation or authentic testimony, as opposed to what is merely inferred or to a conjecture or fiction; a datum of experience, as distinguished from the conclusions that may be based upon it."

Similarly, the relevant portion of the definition in Webster's New International Dictionary provides:

"3a. Something that has actual existence... (c) a verified statement or proposition ...5. an assertion, statement or information containing or purporting to contain something having objective reality."

8. (a) The Commission Staff argues that the definition of "material fact" includes "future events...which of their nature are not certain to occur" (See Commission Staff Argument, page 84). They suggest that the words "or would reasonably be expected to have a significant effect on" found in Section 1(1)22. support this interpretation.
- (b) The full text of Section 1(1)22. is set out in paragraph 6 above. The event that triggers Section 1(1)22. is a fact then in existence. The definition only becomes operative if such a fact exists and does or is likely to affect the present market price or value of the securities in question. The Section is in no way prospective.

IV - THE ARGUMENT

A ARGUMENT IN RESPECT OF DISCLOSURE PURSUANT TO PART XIX OF THE ACT

(a) AS AT SEPTEMBER 8, 1980

(i) Disclosure of Knowledge of Tendering Intention

1. As at September 8, 1980 the Respondent Scholes had expressed the hope that Sun Life would purchase more shares in the market and the Respondent White had inquired whether Noranda Mines Limited had considered purchasing shares of Royal Trustco. On August 29, White spoke to Harrison of CIBC by telephone and Harrison, while not asked to do so by White, took from this conversation that White wanted CIBC to purchase shares of Royal Trustco.

2. There is no evidence that Royal Trustco "encouraged" any other persons or corporations to purchase shares of Royal Trustco, certainly before September 8, 1980.

3. Scholes was advised by Galt on September 3 that Sun Life had in fact decided to purchase additional shares in Royal Trustco.

4. Powis advised White in the telephone conversation of September 7 that Noranda had already taken under consideration the purchase of shares of Royal Trustco but did not indicate the level of purchasing being considered.

5. Harrison advised White that the CIBC did not have room in its portfolio to purchase shares of Royal Trustco.

6. (a) As of September 8, 1980 the Respondents were aware that Sun Life, Bank of Montreal and Commercial Union were shareholders but had no such knowledge with respect to The Toronto-Dominion Bank, Oxford Development Group Limited and National Trust. In respect of those latter shareholders there is no suggestion that the Respondents encouraged them to make market purchases of shares of Royal Trustco.

It is clear on the evidence that the Respondents had no knowledge of the tendering intention of Sun Life, The Toronto-Dominion Bank, Oxford Development Group Limited, National Trust or Bank of Montreal.

(b) With respect to Bank of Montreal, the evidence is that although Mulholland advised White on August 27 that Bank of Montreal was not then minded to tender its shares, he did not provide White with any long term commitment in that regard. His evidence was that he did not give White such a commitment and that White did not seek such a commitment from him on behalf of Bank of Montreal.

7. (a) Accordingly, as of the date of the Directors' Circular, September 8, 1980, the Respondents were not aware of the tendering intention of any shareholders who had purchased shares after being encouraged to do so by the Respondents.

(b) Further, it is clear on the evidence that the Respondents had no knowledge of the tendering intention of any shareholders who had purchased shares subsequent to August 27, whether or not in response to encouragement by the Respondents, with the one possible exception of Commercial Union. Commercial Union held .492% of the issued shares of Royal Trustco at the commencement of the Bid and increased its holdings to approximately 1% by the date of the Directors' Circular.

8. Even if it could be stated that the evidence with respect to Commercial Union elevated the knowledge of the Respondents to "fact" it would surely not be "material" to disclose the then tendering intention of a shareholder holding only 1% of the issued shares of Royal Trustco.

9. Accordingly, the Respondents were not aware of any material facts concerning tendering that could or should have been disclosed in the Directors' Circular.

10. It cannot be doubted that it would have been in the interests of Royal Trustco, given its declared opposition to the Bid, to have disclosed as much as it could concerning the intention of shareholders not to tender their shares into the Bid. Such disclosure could, in itself, have gone a long way to defeating the Bid.

11. At this juncture, it is important to point out that, absent a legally binding and irrevocable commitment not to tender, the material time to determine the extent of knowledge of tendering intention is the expiry date of a bid. To illustrate the point, reference is made to the discussion that occurred between Mulholland and White on August 27. Mulholland told White that he was not then minded to have the Bank of Montreal tender its shares. However, he went on to testify that he gave White no long term commitment in that regard, that White did not ask for one and that he, Mulholland, could not and would not have given one if such a request had been made.

12. Would it be material to disclose on September 8, 1980, that a shareholder holding what was thought to be approximately 10% of the issued shares said it was not then minded to tender its shares into a bid which had an initial expiry date of September 19, which date could be extended from time to time?

13. Surely if disclosure was to be made that Bank of Montreal was not minded as of August 27, 1980 to tender its shares, further disclosure would have to be made of the fact that the Bank of Montreal had given no long term commitment in that regard, could not give such a commitment, that its ultimate decision would not be reached until the expiry date, and that that decision could be affected by a number of factors including the final offer price under the Bid.

14. If disclosure is required, it would surely have to be disclosure containing all of those qualifications and explanations and, if that is the kind of disclosure that is suggested is required, can it truly be said to be "material".

15. A statement of intention with respect to tendering is inherently unreliable in the context of a take-over bid. Increases in the offer price, extensions, competing bids, the market reaction to a bid and innumerable other factors all militate against any shareholder having a settled intention with respect to tendering until the expiry date of that bid.

16. A real issue arising out of the facts in this hearing, which has potential application to all future directors' circulars, is whether disclosure of a transitory present intention meets the concerns of maintaining the integrity of the capital markets or whether it jeopardizes that integrity. Stated more particularly, the issue is whether the capital markets are well served by the disclosure of information which is subject to change at any time and from time to time; information which, by definition, makes each such disclosure inherently unreliable. There is now no obligation under the Act to update statements made in a directors' circular that were accurate when they were

made. In addition, there are no adequate mechanisms for updating on a voluntary basis. Section 96 of the Act requires that "all communications required or permitted by [that] section shall be sent to each offeree by prepaid mail...". Such a mechanism would not serve the desired end.

While it is arguable that a shareholder would not reasonably rely upon information that, by its very nature, is subject to change, it is likely that some shareholders would rely upon that information on the premise that if it was included in the circular it must be a fact and it must be material.

If the Act contemplates disclosure of this type of information and is amended to require continuous disclosure of changes in that information subsequent to the date of a directors' circular, unjustified fluctuations in market price are apt to occur during the currency of an offer. If, for example, Royal Trustco had been told at various times prior to September 8, 1980 of then existing intentions of a number of major shareholders and it disclosed those intentions with particularity, it would be obliged to disclose changes in those intentions to the extent that such changes became known to Royal Trustco. It is reasonable to assume that the market could react strongly to each announced change of intention of a significant shareholder, yet there could be no assurance that such new intention would not also change or that Royal Trustco would have sufficient knowledge of the state of mind of each significant shareholder to be able to make meaningful disclosure.

The object of disclosure is to maintain the integrity of the markets by providing the investing public with material facts relevant to a corporation's securities. Such facts must be of a type, and must be disseminated in a fashion that enables the investing public to absorb and assess those facts. It is submitted that, in the context of a take-over bid, it is irresponsible to disclose information that is inherently unreliable, even if that information could be potentially material. To require the disclosure of inherently unreliable information elevates disclosure from a means to an end to an end in itself.

(ii) Disclosure of the Nature and Extent of
Defensive Action, viz: the "Systematic Approach"

1. The Commission Staff Argument alleges that the Circular of September 8, 1980 was deficient in that it failed to disclose fully the nature and extent of the defensive actions being taken by Royal Trustco Management.

2. Particulars of this allegation are found at page 80 of the Commission Staff Argument and they are as follows:

"in an attempt to cause the Bid to be defeated, senior Royal Trustco Management and their agents had systematically approached a number of persons and companies with whom Royal Trustco had a substantial commercial relationship (or potential relationship) and sought to induce them to purchase shares of Royal Trustco on the market during the Bid and not tender such shares (and existing holdings) to the Bid." (underlining added)

3. (a) The Commission Staff relies upon Anisman's Take-Over Bid Legislation In Canada, A Comparative Analysis, to support its Argument that such disclosure should be made under Item 12 of Form 32.

(b) Anisman in the excerpt from his text referred to at page 73 of the Commission Staff Argument had this to say in that regard:

"Therefore, if the offeree directors, or their allies at their request, purchase shares in the open market or otherwise in order to defeat the Bid either by causing the market price to rise above the bid price or by acquiring sufficient shares to control the offeree company, the names of shares purchased and the prices paid should be disclosed..." (underlining added)

The evidence is that all purchases were made at or below the bid price except certain purchases made by The Toronto-Dominion Bank. The evidence is that these purchases were made at the higher price to accumulate the block quickly and not to defeat the Bid by maintaining the market price above the bid price. (Vol. 2, p. 378 , 1.20 to p. 379 1.12)

Accordingly, the test referred to by Anisman as it could apply to Royal Trustco is made up of four factors:

- (a) requests by the directors of their allies to purchase shares;
- (b) knowledge of the fact that the allies have purchased shares;
- (c) knowledge of the fact that the allies have purchased shares "in order to defeat the Bid"; and
- (d) knowledge of the fact that the allies have "acquired sufficient shares to control the offeree company".

4. The first issue is whether there is evidence to support the allegation of the Commission Staff that the Respondents had

"systematically approached a number of companies..." (underlining added). There is no evidence to support that allegation.

5. (a) This allegation has been described as the "friends" approach and the friends are purportedly those fourteen buyers set out on page 1 of Exhibit 2.

(b) Of those buyers only three were approached by any of the Respondents prior to September 8, 1980. Those three were Sun Life, Noranda Mines Limited and the Canadian Imperial Bank of Commerce. In respect of Sun Life, the Respondent Scholes expressed the hope that Sun Life would purchase more shares in the market; in respect of Noranda the Respondent White inquired of Powis whether Noranda had considered purchasing shares of Royal Trustco; in respect of the Canadian Imperial Bank of Commerce Harrison, while not asked to do so by White, took from their conversation on August 29 that White hoped the Canadian Imperial Bank of Commerce would purchase shares of Royal Trustco.

(c) There is no evidence that the Respondents "encouraged" any other persons or corporations to purchase shares of Royal Trustco, certainly not before September 8, 1980.

(d) Approaches were made to only three of those buyers who are described as "friends" yet it is alleged in this regard that the Respondents had systematically approached these fourteen corporations with a "strategy" in mind, viz: that they all purchase shares with a view to defeating the Bid.

(e) It is not possible to rely upon this evidence to describe a "systematic approach" that amounted to a "strategy".

6. In any event, a further element in the Commission Staff's allegation is that there be an inducement offered by the Respondents to do so. There is no evidence of such inducements.

(a) Sun Life

There is nothing in the testimony of McNeil or Galt to suggest that such an inducement was made.

(b) Bank of Montreal

The evidence of Mulholland is that the Bank of Montreal made its purchase of Royal Trustco shares to restore the holdings of the Bank to traditional levels.

(c) The Toronto-Dominion Bank

The Toronto-Dominion Bank had commenced its analysis of the Bid prior to any contact by or on behalf of the Respondents.

Such analysis was in keeping with the Bank's ordinary practice in respect of take-over bids made in the Canadian market. [Vol. 2, p. 332, 1.10 to p. 335, 1.21, p. 372, 1.25 to p. 373, 1.22 and p. 404, 11. 4 to 19]

The Chairman of the Bank testified that a serious consideration for this purchase was "the possibility of making an arbitrage transaction." [Vol. 2, p. 406, 11. 25 to 31].

When asked by the Vice-Chairman of this Commission whether "the fact that Royal Trust wanted you to buy stock and hold it" affected the decision of the Bank to buy shares in Royal Trustco, the Chairman of the Bank testified "it certainly didn't..." [Vol. 2, p. 404, 11. 20 to 25].

The only approach made to the Bank was by McLeod Young Weir and that was in respect of Plan A. The Bank rejected any thought of its participation in Plan A and made a market purchase for its own reasons. The responsible officers of the Bank who testified made it clear that the Bank

"had no interest in Plan A, that we did not want to be tied in with anybody, either in purchasing or in subsequent action that might go on and if we decided to buy, it would be an independent action".

[Vol. 2, p. 350, 11. 4 to 15; p. 384, 1. 22 to p. 385, 1. 10].

(d) Oxford Development Group Limited

There is no evidence of any contact whatever between the Respondents and Oxford prior to its decision to purchase shares in Royal Trustco let alone evidence of any inducement made by the Respondents to buy such shares.

(e) Olympia and York

There was no contact of any nature between the Respondents and this firm or any of its principals prior to September 19th, 1980. There is no evidence of any discussion between the Respondents and Olympia and York in respect of any past, present or future commercial dealings between the two firms.

(f) Noranda

The evidence is that this firm had made a tentative decision to purchase Royal Trustco shares on Friday, September 5, 1980 and by that time had obtained a financial report from its investment department reporting favourably in respect of such a purchase. [Vol. 3, p. 486, 11. 14 to 31]

(g) Canadian Imperial Bank of Commerce

On August 29, 1980 Harrison advised White that the Bank had no room in its portfolio to make a purchase of shares in Royal Trustco. There is no evidence of any discussion between the Respondents and the Canadian Imperial Bank of Commerce relating to a commercial relationship between them as any inducement for the Bank to purchase shares in Royal Trustco.

(h) Commercial Union

The evidence of Denman is contrary to the suggestion that the Respondents attempted to use leverage to "encourage" this firm to purchase and/or hold shares in Royal Trustco. In his conversation with White on Tuesday, September 2, Denman advised White that Commercial Union intended to increase its holdings of shares in Royal Trustco and Denman testified that White's response was: "Mr. White immediately declared his interest in the matter and told me he could give me no advice or comment and said that we should do as we think is best".

[Vol. 4, p. 531, ll. 17 to 25]

(i) National Trust Co., Limited, Canadian Pacific Limited, Midlantic National Bank, Atlantic Capital Corporation and Hong Kong and Shanghai Banking Corporation

There is no evidence of any contact with these firms let alone evidence in respect of any inducements made by the Respondents to these firms to purchase shares in Royal Trustco.

7. The next factor is whether the Respondents had knowledge of the purchase of shares by the corporations listed in Exhibit 2. The only evidence in that regard is that Galt of Sun Life advised Scholes on September 3 that Sun Life intended to purchase further shares and that Denman of Commercial Union advised White on September 2 that Commercial Union intended to purchase further shares. There was no information provided to White as to the level of purchasing by Commercial Union. The total holdings, including purchases, of these two firms as of September 8, 1980 was 4.34%.

8. The next issue to be addressed is whether the Respondents had knowledge of the fact that the corporations listed in Exhibit 2 purchased shares "to defeat the bid". The only evidence in that regard is from Denman of Commercial Union. The evidence in respect of Sun Life is that the matter of tendering was raised at the Board Meeting of September 3 and that it was concluded at that time that it was too early to consider the

matter let alone arrive at a decision. There is no other evidence of such knowledge by the Respondents prior to September 8, 1980.

9. The next factor is whether the Respondents had knowledge that the corporations listed in Exhibit 2 had "acquired sufficient shares to control the offeree company". There is no such evidence. At the highest 4.34% of the shares could be involved as at September 8, 1980.

10. Accordingly, it is not established:

- (a) that the Respondents "systematically approached a number of persons and companies";
- (b) that there were inducements offered to any of the persons approached;
- (c) that the Respondents were aware of purchases made by those persons or corporations except to the extent of Sun Life and Commercial Union (4.34%) and
- (d) that the Respondents had knowledge that these persons or corporations had acquired sufficient shares to control the offeree company. (Knowledge at the highest was in respect of 4.34% of the shares).

(iii) Legal Authorities and Commentaries

1. The Commission Staff Argument, at page 72 and following, canvasses the law of other jurisdictions and the views of various commentators in support of the proposition that disclosure of Royal Trustco's alleged encouragement of others to purchase shares, and the results of such encouragement, ought to have been disclosed in the Directors' Circular as material facts.

2. A passage from Anisman's Take-over Bid Legislation in Canada: A Comparative Analysis, is quoted in support of this proposition under Canadian Law.

3. The section of Anisman from which the quoted passage is extracted relates to repurchases by offeree companies of their own shares during a take-over bid and must be read in context. That section begins with the following two sentences:

"A requirement that offeree directors obtain shareholders' approval for allotments and repurchases during a take-over bid necessitates disclosure of the substance of the transaction. However, because of the impact of

purchases by an offeree corporation on the market price of its shares, consideration should be given to requiring further disclosure concerning such transactions." (underlining added)

4. On their face Anisman's comments are clearly prospective; they are not the law of Ontario. To the extent such comments are relevant, they are dealt with earlier in these submissions. [Sec.(ii)]

5. The Commission Staff quotes Section 68(q) of the Regulations to the Canada Business Corporations Act in support of the proposition that what is required to be disclosed under that statute as a matter of course constitutes material information under Item 12 of Form 32 of the Act. Item 12 requires disclosure of information that amounts to material fact. Material fact is defined in the Act. The test of materiality under the Act is that set out in the Act. It is not a material fact because it is to be disclosed under another statute but only when it comes within the definition contained in the Act.

6. The Commission Staff quotes from the City Code on Take-overs and Mergers to establish the practice adopted in the United Kingdom for controlling purchases by "associates" and for disclosure of particulars of those purchases by those purchasers. The City Code establishes specific and detailed rules whereby purchases by associates (as defined) can be vetted and approved. The Code also prescribes the disclosure requirements attendant upon such purchases. This is the practice in the United Kingdom. It is not the law of Ontario. The City Code antedates the Act. Had the Legislature intended the provisions of the Code to apply in Ontario, it could have unequivocally so stated. It did not do so.

7. The Commission Staff Argument refers to United States Form 14D-9 which stipulates what a solicitation/recommendation made by the directors of a target corporation must contain in the context of a United States take-over bid. They refer specifically at page 79 to the disclosure required in item 7 of 14D-9 of "any negotiation...being undertaken or...under way by the subject company in response to the tender offer which relates to or would result in...(3) a tender offer for or other acquisition of securities by or of the subject company..."

8. The Respondents make two submissions in respect of this portion of the Commission Staff Argument:

- (a) A "negotiation" involves more than a mere contact to inquire whether a person or company would be interested in the acquisition of shares; and

- (b) A "negotiation" involves a discussion or arrangement which contemplates the exchange of benefits between the parties to the discussion or arrangement.

9. Can it be suggested that negotiations occurred when White called Powis to inquire as to "whether we had any interest in purchasing Royal Trustco shares" [Vol. 4, p.459, lines 23 - 25). Is there a negotiation in progress when Scholes asks of Galt and McNeil "if we would consider buying additional stock. Our reply was non-committal". [Vol. 1, page 166, lines 27 - 29.] Surely it cannot be a negotiation when White said to Harrison of Canadian Imperial Bank of Commerce that "he would appreciate any help we might give him". [Vol. 3, page 472, lines 22 and 23.]

10. The Respondents do not deny that a "negotiation" as contemplated by Item 7 of Form 14D-9 could constitute a material fact that ought to be disclosed to shareholders. However, the Respondents submit that the evidence in this case clearly indicates that no such "negotiation" was "being undertaken" or was "under way" by the Respondents. The evidence is that there were no extended discussions with any person or company concerning the acquisition of shares of Royal Trustco in the market. The evidence that does exist supports, at the highest, a few individual contacts with persons or companies to ascertain their attitude towards the Bid and to inquire whether they had, or would, consider purchasing shares of Royal Trustco. There is no evidence that there were any discussions, let alone arrangements, entered into between or considered by, the Respondents and any other person or company which involved the Respondents conferring any benefits whatsoever in return for that person or company purchasing or considering the purchase of shares of Royal Trustco.

(iv) - Allegations with Respect to the Disclosure of The Royal Trust Pension Fund Matter and Plan A(A-1)

1. It is alleged by Commission Staff in its Argument that the Royal Trust Pension Fund matter and Plan A(A-1) ought to have been disclosed in the Directors' Circular of September 8, 1980.

2. The orders for the Pension Fund were placed on August 28 and 29 and between the latter date and September 2 it was determined that those orders should not be completed on behalf of the Fund. There is no suggestion that any further orders were placed for the Fund or that there was any intention to continue such a "strategy" following the date of the Circular.

[Exhibit 2, pp. 4 and 5

Vol. 1, p. 171. 11. 6 to 28]

3. If there was no such strategy on foot as of the date of the Directors' Circular and no intention to employ such a strategy following that date how can it be a material fact that such a strategy had earlier been considered and rejected.

4. The approaches concerning Plan A(A-1) occurred between September 1, 1980 and September 7, 1980 and this Plan was a non-starter as of September 8, 1980.

[Vol. 4, p. 600, ll. 6 to 15
Vol. 4, p. 601, ll. 1 to 11
Vol. 4, p. 601, l. 17 to p. 603, l. 6
Vol. 4, p. 603, ll. 7 to 13
Vol. 4, p. 603, ll. 15 to 21]

5. There were no approaches made following September 8, 1980 with a view to encouraging participation in a Plan A(A-1) concept and accordingly and contrary to the allegation made by Commission Staff in its Argument, Royal Trustco was not "actively pursuing" the Plan as of the date of the Circular.

[Vol. 4, p. 555, ll. 14 to 17
Vol. 4, p. 604, ll. 1 to 19]

6. The Plan had died by the date of the Circular and was not pursued following that time. If such a strategy was not thereafter pursued it would not be material to disclose the fact that it had earlier been pursued and abandoned.

(c) - SUBSEQUENT TO SEPTEMBER 19, 1980

1. The initial expiry date of the Bid was September 19, 1980.

2. As at that date the deposit of shares into the Bid apparently did not satisfy the minimum tendering condition set out in the Bid. Campeau did not see fit to waive the condition and as a result the shares tendered were not taken up.

3. Campeau did not disclose the number of shares tendered into the Bid as at the initial expiry date and this Commission did not request or require that the number of shares so tendered be disclosed to the public and to the shareholders.

4. There was no relevant contact between the Respondents and the Bank of Montreal, Noranda Mines, Sun Life, The Toronto-Dominion Bank or the Canadian Imperial Bank of Commerce between September 19th and October 2nd (the expiry date of the extended Bid and also the date when the Bid was abandoned).

5. There is no suggestion on the evidence of any contact of any nature between National Trust, Canadian Pacific, Midlantic National Bank, Atlantic Capital Corporation and the Hong Kong and Shanghai Banking Corporation and the Respondents between September 19th and October 2nd.
6. As set out earlier in these submissions, there is no obligation under the Act to deliver a Directors' Circular or an amended Directors' Circular following an extension of and price increase in a take-over bid. As further submitted earlier, the letter of September 22nd, 1980 is neither a Directors' Circular nor a Director's Circular and accordingly the provisions of Section 96(1) and (3) of the Act and Sections 165 and 166 of the Regulations do not apply to that document.
7. (a) In any event, the only evidence as to tendering intention relates to the intention with respect to tendering into a Bid with a offer price of \$21.00 per common share. The only positive evidence of an intention in that respect is that relating to Commercial Union and the Bank of Montreal.
- (b) There is no evidence whatever of tendering intentions in respect of the Bid at an offer price of \$23.00 per common share.
- (c) Accordingly, there is no evidence of any facts that could or should have been disclosed in respect of tendering intentions into a Bid at an offer price of \$23.00 per common share.
8. It is suggested in the Notice of Hearing (see paragraph 8) that the information referred to in 4(a) and (b) and 6(a) and (b) of the Notice of Hearing should have been disclosed in the letter of September 22, 1980. This is premised on the legal assumption that that letter was a Directors' Circular.
9. (a) The information referred to in each of paragraphs 4(a), 4(b) and 6(a) relates to the period prior to September 19th, 1980 .
- (b) Even if the alleged information was elevated to the level of facts and even if it were established that these were facts known to the Respondents, it is difficult to understand how such matters are relevant to a Bid at an increased price since those matters all related to the Bid at the lower price.
- (c) If it is assumed that what certain shareholders intended to do at a lower price is relevant to the Bid at

an increased price, the clearest evidence of the intention of all the shareholders would be the disclosure of the number of shares that were deposited into the Bid as at September 19, 1980, rather than the disclosure of some knowledge of the intention of certain shareholders in respect of tendering into a Bid of \$21 per common share on September 19, 1980.

- (d) Since the intentions of the shareholders, whatever those intentions may have been, had crystallised on September 19th and since there was, available through Campeau, ready evidence of the extent to which they had crystallised, then those are the hard facts which could and should have been disclosed.

10. Campeau did not disclose the number of shares tendered into the Bid on September 19th and this Commission did not request or require Campeau to do so. If those hard facts need not have been disclosed subsequent to September 19th how can it be said that information with respect to intentions that may or may not have been consistent with those hard facts be disclosed.

11. In any event, there is no evidence that there was any relevant contact between the Respondents and those shareholders named in Exhibit 2, page 1 between September 19, 1980 and October 2, 1980, with the exception of Oxford Development Group Ltd. and Olympia and York Investments Limited. In fact the evidence is to the contrary. The contacts with Oxford and Olympia and York occurred after the letter of September 22, 1980, viz: Oxford Group on September 23, 1980 and Olympia and York on September 23 and 24, 1980.

Vol. 2, p. 233, ll. 19-25
p. 290, l. 4 to p. 291, l. 14
p. 397, ll. 8-25

Vol. 3, p. 437, l. 23 to p. 438, l. 6
p. 442, ll. 14-31
p. 446, l. 14 to p. 448, l. 30
p. 469, ll. 8-11
p. 481, ll. 10-15
p. 487, l. 9 to p. 492, l. 5

12. Accordingly, there were no facts that could or should have been disclosed in the letter of September 22, 1980 even if it were assumed that in law that letter was a Directors' Circular.

B - ARGUMENT IN RESPECT OF
SECTION 75 - "TIPPING"

(a) The Issues

1. (a) The allegation is that the Respondents "tipped" undisclosed material facts to The Toronto-Dominion Bank.
- (b) The material facts that it is alleged were "tipped" to The Toronto-Dominion Bank are set out in paragraph 6 of the Notice of Hearing. They are as follows:
 - (i) that the respondents revealed to certain personnel of The Toronto-Dominion Bank that approximately 60% of the shares of Royal Trustco were owned by persons or companies who White and Scholes knew or had reason to believe would not tender pursuant to the Bid, some or all of whom were named or were otherwise identified; and
 - (ii) that the Respondents revealed to those personnel of The Toronto-Dominion Bank that Royal Trustco management was considering recommending to the Board that the dividends payable on Royal Trustco shares be increased.
2. Four issues arise from these allegations set out in paragraph 1(b)(i) above. They are as follows:
 - (a) Did White or Scholes know that 60% of the shares of Royal Trustco would not be tendered pursuant to the Bid?
 - (b) Were the statements made to The Toronto-Dominion Bank personnel expressed as statements of fact?
 - (c) Were the statements made regarded as statements of fact by the personnel of The Toronto-Dominion Bank?
 - (d) Were the statements, however expressed, regarded as material by the personnel of The Toronto-Dominion Bank?
- (b) Did White or Scholes know that 60% of the shares of Royal Trustco would not be tendered pursuant to the Bid?

1. At no time prior to September 17, 1980 did Sun Life advise White, Scholes or anyone on behalf of Royal Trustco that it would not be tendering its shares into the Bid. In fact that decision was not made by Sun Life until September 19th.

Vol. 2, p. 232, ll. 26-30
p. 233, ll. 5-10

2. At no time prior to September 17, 1980 did the Bank of Montreal give to White or Scholes any commitment that it would not tender its shares into the Bid, although Mulholland told White, and for that matter Mr. Campeau, on August 27th that he was not then minded to tender. He gave White no long-term commitment in that regard and testified "You can't make those kind of commitments." In fact Mulholland testified he did not give Mr. White a commitment that Bank of Montreal would not tender and that Mr. White did not seek such a commitment.

[Vol. 2, p. 279, l.20 to p. 280, l. 3]

3. The Commission Staff Argument suggests that The Toronto-Dominion Bank was nervous at the meeting of September 17th. Not only was The Toronto-Dominion Bank nervous at that meeting, it continued to be nervous up until the late afternoon of September 19th.

4. There had been no contact between The Toronto- Dominion Bank and Royal Trustco between September 2nd and September 17th, 1980 and, accordingly, White had no knowledge of the intentions of The Toronto-Dominion Bank in respect of tendering prior to that date. He certainly gained no better knowledge at that meeting because he was told then by the Chairman of The Toronto-Dominion Bank that the Bank was keeping its options open.

[Vol. 2, p. 390, ll. 9-12
p. 393, ll. 10-16]

5. Throughout September 18th and 19th the responsible officers of The Toronto-Dominion Bank continued their deliberations with respect to whether the Bank would tender into the Bid and did not make their decision in that regard until late in the afternoon of September 19th.

[Vol. 2, p. 358, l. 29 to p. 359, l. 14
p. 361, ll. 15-23]

6. There was no contact whatever between Oxford Group Limited and the Respondents prior to September 23, 1980 and accordingly the Respondents knew nothing of the tendering intentions of this purchaser.

7. There was no contact whatever between Oxford Group and Taylor.

8. With respect to the Canadian Imperial Bank of Commerce, Harrison did not speak to White between August 29th and October 2nd and did not advise the Respondents during the currency of the Bid that the Canadian Imperial Bank of Commerce had purchased shares. In fact in the conversation of August 29th Harrison told White that the Canadian Imperial Bank of Commerce would not buy shares in Royal Trustco.

[Vol. 3, p. 479, ll. 10-22
p. 481, ll. 10-15, ll. 17-20]

9. There is no evidence that the Respondents were aware of the tendering intention of Noranda Mines Limited nor of the level of purchasing made by Noranda.

10. Midlantic National Bank and Hong Kong and Shanghai Banking Corporation in fact were not shareholders in Royal Trustco at the time of the meeting with The Toronto-Dominion Bank personnel. (See Exhibit 2, pp. 17-18)

11. There is no evidence that the Respondents were aware of the tendering intention of Atlantic Capital Corporation.

12. Olympia & York Investments Limited was not a shareholder at the time of the meeting with The Toronto-Dominion Bank.

13. The ETA accounts represented approximately 15% of the relevant outstanding shares of Royal Trustco and the evidence is that White estimated that 70% of those shares would not likely be tendered into the Bid.

14. Commercial Union held .492% of the relevant outstanding shares at September 2, 1980 and increased its holdings to 1.05% prior to September 17, 1980.

15. The positive evidence given on behalf of Sun Life, The Toronto-Dominion Bank, Oxford Development Group Limited, the Canadian Imperial Bank of Commerce, Noranda Mines Limited and the Bank of Montreal, is that they at no time prior to September 17, 1980 indicated to the Respondents their intention with respect to tendering into the Bid. Midlantic National Bank and Hong Kong and Shanghai Banking Corporation were not even shareholders at the time of the meeting of September 17th, nor for that matter was Olympia & York.

16. There is no suggestion on the evidence that the purchases made by National Trust and Canadian Pacific were known to the respondents, let alone the tendering intentions of those firms.

(c) - Were The Statements Made To The Toronto-Dominion Bank
Personnel Expressed As Statements Of Fact?

9. The evidence on this issue is that of Hockin and Thomson.

10. Hockin testified in Chief that White gave his assessment of the Bid in the following terms [Vol. 2, p. 353 to 357]:

"Q. During the course of this meeting did Mr. White indicate his assessment of the Campeau take-over bid?

A. In general terms, yes, the way one does; you know, sort of "We think that so-and-so might tender, and we don't know about him" and this sort of thing.

Q. When you say, "We think so-and-so might tender" did he give you names on that occasion?

A. One or two names, names one would expect, like the Bank of Montreal and that sort of thing. I can't remember them all. I think Sun Life was mentioned.

Q. Sun Life was mentioned?

A. I think Sun Life was mentioned. There was quite a bit of discussion about the shares held in the trust accounts of Royal Trust.

Q. Before we get to that, sir, you mentioned the Bank of Montreal. Did they give an indication, sir, of the approximate percentage that the Bank of Montreal had?

A. No. I think we had assumed it was just under ten percent, as apparently Mr. Mulholland did.... but I do not have any recollection, I cannot remember any specific figure being mentioned.

Q. You have mentioned Sun Life, sir. Did he put a figure beside Sun Life?

A. I don't recall figures, no sir, to individual ones except sort of a general magnitude, they are sizable holders or they are not, and that kind of thing.

- Q. Can you tell me, sir, what other names he mentioned?
- A. I think he mentioned Noranda. My recollection of it is not very precise. But those are the names that spring to mind.
- Q. Was there any discussion that you could recollect, of Oxford?
- A. Yes. Oxford was mentioned.
- Q. And so he mentioned, to your recollection, the Bank of Montreal, Sun Life, Noranda and Oxford?
- A. Yes.
- Q. Were there others that you can recollect that he mentioned?
- A. Not that I can recollect, save these trust accounts that he mentioned.
- Q. Can you tell us, sir, what he said about the trust accounts?
- A. He gave us -- I think he was aware of the concern that a lot of people had as to whether trust accounts were being appropriately handled in a situation like this, which was admittedly difficult, and my recollection is that he went to considerable length to explain to us they had dealt with the trust accounts and that they had tried to get in touch with each one of them, as to whether they have instructions, and they have followed instructions, as to whether to tender or whether not to tender, or whatever.... and that he was obviously seeking to reassure us that he was being very fair in the way he handled them.
- Q. Did he give you a percentage figure on the trust accounts as to what percentage had elected to hold or what percentage were likely not to tender?
- A. It seemed to me, if my memory serves me right, that it was probably about seventy percent that were going to hold.

Q. If seventy percent were going to hold, did he transfer that into a number of shares in approximate terms, in other words, do you --?

A. He may have. I can't remember.

Q. Did he indicate what percentage of the entire shareholding of the estates and trust accounts accounted for?

A. Yes, he did, and I'm trying to remember what the figure was and I can't. But I think he talked about the total.

Q. The total number?

A. I think he talked about the total number of shares that trust accounts held, but I can't remember what it was. I'm sorry.

Q. But you think he told you the total number of shares trust accounts held, and that seventy percent of those would in all likelihood not be tendering?

A. I think what he was doing was telling us the results, more or less, of where he thought we would come out as a result of their seeking instructions. But I can't remember if it was precise or not.

In all of this I must say it was very much a kind of, you know, "about this" and "about that". There was nothing precise. You did not give percentages with decimal points and the rest. It was, you know, "we think they may" or "may not" and this kind of thing.

Q. Did he add up all these figures of "they may" and "they may not" and come to a rough percentage total?

A. The rough percentage total which I recall, was somewhere just under sixty percent would probably not tender.

Q. Sixty percent would not tender?

A. Yes, that's right. But I repeat, this was very much guessing. There was nothing, we were not told "Yes, I think this one", or "not this" and it was very much his estimate, his guess, as to what might happen.

Q. Can you help me, was he physically writing names on a piece of paper and scribbling percentages beside them?

A. I don't recall that.

Q. Do you recall how the sixty percent figure came up?

A. As I recall, just sort of a few names mentioned, and then sort of being totalled and "it might be that".

11. It is clear from this evidence that the assessment was not conveyed in precise terms but only as "guessing" or an estimate as to what might happen. This evidence does not support the allegation that a statement of any fact was made in respect of persons who White and Scholes knew or had reason to believe would not tender.

12. Hockin reiterated this in a response to a further question from Mr. Bray as to what impression White gave [Vol. 2, p. 365, l. 26 to p. 366, l. 2]:

"That is...he quite obviously hoped and I would say perhaps wishfully hoped, and perhaps because of that expected it would fail, that the bid would fail. But he gave us an indication that he thought that with the kind of rough jottings that I have described before, that the bid would not succeed."

13. The evidence of Thomson was that he and the other Bank personnel were listening: "to a man who did not want the offer to succeed, who was extremely hopeful..."and that he regarded the remarks of White as those of a salesman making a sales pitch "which is what he had been doing in the newspapers...ever since the offer." [Vol. 2, p. 392, l. 28 to p. 393, l. 16].

14. Thomson further testified:

"I remember after he left...one of the people we questioned about was the Bank of Montreal, and it was clear he had no, you know, deal, in quotes, with the Bank of Montreal. In fact, after he left, we commented he never even mentioned that the Bank of Montreal had ten per cent, and that bothered us, because it was, you know, it

showed how vague he was. It is an illustration of the fact, that...anyway, we decided to prepare our shares and make sure they were in real good form for tendering."

[Vol. 2, p. 395, l. 23 to p. 391, l. 2]

15. It is clear from this evidence that the remarks made by White were not made as statements of fact but rather were vague, imprecise and the product of estimates. In short they were guesstimates.

16. This is made abundantly clear in the exchange between Commissioner Miles and Thomson:

"MR. MILES: I am sorry. When you made a decision not to tender your shares you at that point in time had no specific knowledge of similar decisions of other holders.

THE WITNESS: No."

[Vol. 2, p. 400, ll. 11 to 16]

(d) - Were the statements made regarded as statements of fact by the personnel of The Toronto-Dominion Bank?

It is clear from the evidence that the personnel of The Toronto-Dominion Bank did not regard the statement made by White as statements of fact. The evidence of Hockin is as follows:

(a) That White's assessment was "...very much guessing...very much his estimate, his guess, as to what might happen".

[Vol. 2, p. 356, l. 24 to p. 357, l. 16]

(b) That White spoke "In general terms, yes, the way one does; you know, sort of "We think that so-and-so might tender, and we don't know about him..." and this sort of thing".

[Vol. 2, p. 353, ll. 9 to 15]

(c) "Yes, that's right. But I repeat, this was very much guessing. There was nothing, we were not told "Yes, I think this one", or "not this" and it was very much his estimate, his guess, as to what might happen".

[Vol. 2, p. 357 ll. 1 to 6]

(d) "Q. Do you recall how the sixty percent figure came up?

A. As I recall, just sort of a few names mentioned, and then sort of being totalled and "it might be that".

[Vol. 2, p. 357, ll. 11 to 16]

(e) "Q. After Mr. White left, was it your impression that the bid was going to be defeated, likely to be defeated?

A. We still didn't know. We really were not sure until the results came out. In fact, we left our own shares in as liquid form as possible until the very last minute.

Q. Are you saying, then, sir, there was some consideration given by the bank to tendering under the bid?

A. Oh, yes. Oh, yes. We continued to hold until the very end, an open mind as to what our action should be."

[Vol. 2, p. 358, l. 28 to p. 359, l. 14]

(f) "Mr. Bray: Apart from that, I gather there were two principal topics, apart from that sort of general mutual regard. One was the possibility of the likelihood of the failure of the bid? (underlining added)

The Witness: Yes.

Mr. Bray: Mr. White gave you that impression at least?

The Witness: That is -- He quite obviously hoped and I would say perhaps wishfully hoped and perhaps because of that expected it would fall, that the bid would fall. But he gave us an indication that he thought that with the kind of rough jottings that I have described before, that the bid would not succeed.

Mr. Bray: How much certainty did there seem in these figures he was giving?

The Witness: Not enough certainty for us to be convinced he was right, at the end of it." (underlining added)

[Vol. 2, p. 365, l. 18 to p. 366, l. 8]

(e) - Were the statements however expressed regarded as material by the personnel of The Toronto-Dominion Bank?

1. The evidence of Hockin provides a clear indication of the materiality to The Toronto-Dominion Bank in respect of the information discussed with White and Scholes on September 17:

"Mr. Bray: I wondered what, apart from sitting around and wringing your hands, which I doubt is what you did...and worrying among yourselves, what steps, if any, did you take to try and alleviate those concerns, you personally? Obviously, you are the only one who can speak?

The Witness: Took no other steps except to try and assess as closely as we could, the likelihood of the success of the take-over bid.

Mr. Bray: How did you do that?

The Witness: By watching the market very carefully and by listening to anyone who would tell us what they thought was likely to happen. The Street talks a great deal, as you know, about it, at times like this, and one tries to keep one's ear open and so that all the input you can get, goes into your judgment as to whether the bid is likely to succeed or whether it isn't."

[Vol. 2, p. 363, l. 19 to p. 364 l. 8]

2. The materiality of the conversation from Thomson's point of view is demonstrated in the answer he made to a question put by Commissioner Miles. He was asked whether he had specific knowledge when he decided not to tender of similar decisions of other large holders; he replied with an unequivocal "No".

[Vol. 2, p. 400, ll. 11 to 16]

(f) - Increase in Dividends

1. The allegation in paragraph 6(b) of the Notice of Hearing is that White and Scholes revealed to personnel of The Toronto-Dominion Bank "that Royal Trustco management was considering recommending to the Board that the dividends payable on Royal Trustco shares be increased."

2. There is no evidence to support this allegation; in fact the evidence is to the contrary.

3. The evidence relevant to this subject is again that of Hockin and Thomson. An examination of that testimony demonstrates that the interpretation placed on it by the Commission Staff is not supportable.

4. Hockin's evidence-in-chief in this regard is as follows [Vol.2, p.358]:

"Q. Was there a discussion about a possible increase in dividends or development of dividends in the future?

A. Once again, in general terms, the way one does when one talks to the senior executives of a company, that sort of thing, "This is how we have been able to perform in the past," and really, quite an historical review of how their earnings had developed and how their dividends had developed within that pattern, and the hope that they would go on doing better and better.

Q. What? In terms of there being a potential dividend increase?

A. In terms of their having, continuing to show, an increase in earnings and continuing to show an increase in dividends."

This evidence does not approach the allegation that management was "considering recommending to the Board that the dividends on Royal Trustco shares be increased".

5. Hockin responded in a similar way to a similar question from Mr. Bray as follows [Vol.2, p.366- 367]:

"MR. BRAY: There seemed to be a second topic, the second topic being how well Royal Trustco was doing?

THE WITNESS: Yes.

MR. BRAY: And had done and was about to do?

THE WITNESS: Yes.

MR. BRAY: Was (sic) there any concrete suggestions made as a result of this?

THE WITNESS: No, there were no concrete suggestions.

MR. BRAY: What I would call, almost sounds like financial forecasts?

THE WITNESS: No. It was more an extrapolation of the past, the kind of thing that a financial analyst does when he tries to come up with it.

MR. BRAY: Excepting he was the Chief Executive Officer of a company, telling you about that company's plans?

THE WITNESS: He was not telling us about plans and he was not telling us about anything concrete. It was the general indication to us that if they did as well in the future as they had done in the past, the trends would go on.

MR. BRAY: Were you left with the impression that the dividends were going to be increased?

THE WITNESS: I would say that one would hope that over time they would be, as their earnings increased.

MR. BRAY: I don't mean --

THE WITNESS: But nothing specific, sir, no."

6. And again in response to a similar question from the Chairman, Hockin responded [Vol.2, p.367-368]:

"THE WITNESS: I would say that it would be that as long as Royal Trust continued to be a good, sound operating company, that they hoped they would be able to go on earning more and that, if they earned more, this is the way their dividends had behaved in the past. But no specific indications that dividends would be raised by such-and-such an amount, you know, by such-and-such a time, nothing like that.

It was much more this question of the extrapolation of the past; and, of course, we had done our analysis and our thinking about Royal

Trust long before we met them, and had our own feel for what their history had been, what their thrust was and how their management operated and this kind of thing. So that this was all part of our input into our thinking too.

THE CHAIRMAN: I understand your testimony on the most specific indications, but my question was more directed to your general impression and would it be correct to say that your answer is you did not have an impression that the dividends would be increased, you personally?

THE WITNESS: No. I would say that if the company continued to earn on an upward trend, in the way that it had in the past, that in the past their dividends had had some relationship to their earnings and, therefore, their dividends would go too. But it depended upon their ability to earn the money and go on. It was very much related to their performance as a company and the hope that they would continue to show good results."

7. As a clear indicator of the materiality of this decision, Hockin was not even aware that the Royal Trustco dividend had in fact been increased [Vol.2, p.369 lines 1-5].

8. Thomson's evidence is fully consistent with that of Hockin. In examination-in-chief, Thomson testified [Vol.2, p.396]:

"Q. They thought they did....
There was a discussion -- or was there a discussion about the historical pattern of Royal Trust and the potential or the possibility of a dividend increase in the future?

A. Well, I think that Alan put it well, and he made no forecast. I think it was a reasonable presentation. It was an enthusiastic, emotional presentation and, let's face it, they have got a good record.... and he referred to that and he mentioned that he was approaching the end of his career and it was interesting to listen to. But, there were no hard facts, and of course, he did not have any hard facts to give us."

9. The direct evidence of Thomson's view of that meeting is as follows: "But, there were no hard facts, and of course, he

did not have any hard facts to give to us" [Vol.2, p.396 lines 23-26]. (underlining added)

10. The evidence is clear that in respect of dividends, there was no statement that in substance meant or could be taken to mean that management was even considering recommending to the Board that the dividends payable on Royal Trustco shares be increased.

11. What was discussed with the Bank was Royal Trustco's historical pattern of earnings and dividends and hopes for future growth in each. This information was available to all shareholders and prospective shareholders.

12. The Commission Staff has argued that it is significant that a special telephone meeting of the Executive Committee was held following the meeting with The Toronto- Dominion Bank. The matter for discussion was the long term profitability prospects of the Royal Trust Group, the current dividend pay out in relation to earnings and the possible adverse effects consequent on the Campeau offer (Exhibit 19, p.38).

13. What is especially significant is that the Executive Committee "decided to defer consideration of this matter to a later date" (Exhibit 19, p. 38).

14. Although the definition of "material fact" does not include the same concept as "material change" - namely, "a decision to implement such a change.... by senior management of the issuer who believe that confirmation of the decision by the board of directors is probable", it indicates how far the matter of an increase in dividends was from being a "material change". There is no evidence of any statement that management was considering recommending to the board an increase in the dividends. When the general matter of earnings and dividends was raised with the Executive Committee, the matter was deferred to a later date.

(g) - Additional Allegations of "Tipping"

1. (a) The Commission Staff argument also purports to rely on information disclosed to Sun Life and Noranda. The issue raised in the Notice of Hearing and as described at p. 65 of the Commission Staff Argument is that the Respondents "tipped" undisclosed information to The Toronto-Dominion Bank. There was no such allegation made with respect to Sun Life and Noranda, that was not the case to be met by the Respondents and was not raised as part of the case until Commission Staff Argument. In any event, the Respondents submit that there is no evidence of disclosure of a "material fact" or "material change" to either Sun Life or Noranda.

2. The Commission Staff refers to White's telephone call to Galt of Sun Life on September 17 advising him that "he thought the bid would fail" [Vol.2, p.228]. Although this allegation is not contained in the Notice of Hearing, it is worth noting how Galt regarded this information. Galt testified that it was White's "estimate that perhaps 55 per cent of the shares would not be tendered" [Vol.2, p.228]. Galt's "understanding was that he was looking at who had bought shares and was making assumptions as to whether they were going to tender" [Vol.2, p.229]. Assumptions and estimates are hardly facts.

3. In referring to the minutes of the Royal Trustco Executive Committee of September 11, the Commission Staff purports to suggest that White included Sun Life as "firm". The Staff uses that as a basis for concluding that the information given to The Toronto-Dominion Bank was "sufficiently certain to be a material fact". Yet, Galt testified that on September 17 "Mr. White didn't know what we were going to do with our 5 per cent -- it wasn't quite that yet -- and I thought if he had the same lack of knowledge about everybody else, then his 55% was very much of a guess" [Vol.2, p.230]. Sun Life's actual decision was made September 19 [Vol.2, pages 231, 232, 233, 238]. Thus, not only were no "facts" disclosed to Galt by White, but also whatever was discussed was not considered material by Galt. The very evidence relied upon by the Staff confirms how uncertain were the estimates or assumptions White may have made in respect of Sun Life.

4. The Staff refers to a telephone conversation between White and Powis on September 17 (again not raised in the Notice of Hearing). The only evidence is that Powis called White to ask him "how he felt the bid was going to turn out" [Vol.3, p.465]. White replied "he was hopeful it would fail" [Vol.3, p.465]. Can it reasonably be said that an expression of hope well known to the world is a disclosure of a material fact not otherwise generally disclosed?

5. Similarly, the Commission Staff refers to a conversation between Cole of CIBC and Wickens of Royal Trustco on September 17. It is important to note that there is no evidence that Royal Trustco even knew CIBC had bought shares until after October 2. The evidence relied on is Cole's statement that Wickens "reflected some confidence that the bid would fail" [Vol.3, p.491]. Is this of the nature of disclosure of a "material fact"?

(h) - Analysis of the American Authorities Relied Upon by Commission Staff in Interpreting Section 75

1. Commission Staff has extracted from various U.S. authorities passages which it submits to support its view of

standards of disclosure the Respondents should have met. Although the Respondents could marshal similar U.S. authorities to support a contrary view, the Respondents submit that upon closer study the very authorities cited by Commission Staff support the course of action taken and not taken, as the case may be, by the Respondents.

(a) Securities and Exchange Commission v. Texas Gulf Sulphur Co. et al. (1968), 401 F.2d 833 (U.S.C.A., 2nd Cir.).

Although this case is well-known, it is important to recall that the matter found not to have been fairly and fully disclosed was the analysis of the initial drill core taken from the Kidd-55 site. - "These results were so remarkable that neither Clayton, an experienced geophysicist, nor four other TGS expert witnesses, had ever seen or heard of a comparable initial exploratory drill hole in a base metal deposit." Insiders were in possession of a fact, "a remarkable and extraordinary fact". These insiders and their tippees traded in TGS stock and calls before full and fair disclosure of this fact was made. At the relevant times, the only public disclosure made was a vague and general statement in a press release. This release was found to be misleading because TGS had access to hard and detailed facts and chose not to disclose them.

In the present case, it is submitted that the Respondents were not possessed of any material facts relevant to who would actually tender into the Bid or whether the Board of Directors would increase dividends. Furthermore, no one traded based on any information disclosed by the Respondents.

In this context, some of the reasons for judgment in Texas Gulf became significant. The Court observed, quoting Matter of Cady, Roberts & Co., 40 SEC 907 -

"The essence of the Rule is that anyone who, trading for his own account in the securities of a corporation has 'access, directly or indirectly, to information intended to be available only for a corporate purpose and not for the personal benefit of anyone' may not take 'advantage of such information knowing it is unavailable to those with whom he is dealing' i.e the investing public." (p.848).

Anything the Respondents did or did not do was strictly for a proper corporate purpose and not for personal benefit.

It is also important to note that the Court held that it was the basic fact (i.e. the drill core analysis) which should have been disclosed "so that outsiders may draw upon their own evaluative expertise in reaching their own investment decisions

with knowledge equal to that of the insiders" (p. 849). The Commission Staff suggests that the Respondents' interpretations, guesswork, speculation and assumptions should have been disclosed to the general public as facts. The basic facts, such as they were - the volume and prices in the marketplace - were known to the public at large and detailed knowledge as to the identity of specific purchasers was known to the Commission staff and The Toronto Stock Exchange.

It is submitted that in one of the most quoted portions of the Texas Gulf reasons, the emphasis is on present facts which may have a future effect and this is precisely what is contemplated in the definition of "material fact" in the Act. Neither Texas Gulf nor the Act require disclosure of possible future facts which may only be guessed at or assumed. The passage is as follows:

"Thus, material facts include not only information disclosing the earnings and distributions of a company but also those facts which affect the probable future of the company and those which may affect the desire of investors to buy, sell or hold the company's securities." (p.850).

Finally, in determining the materiality of the facts known to the insiders of TGS, the Court observed the unusual trading which followed such knowledge:

"This insider trading activity, which surely constitutes highly pertinent evidence and the only truly objective evidence of the materiality of the K-55-1 discovery..." (p. 851).

It is submitted that the absence of trading by anyone with whom the Respondents discussed their views of the likely success of the Bid, or with whom they reviewed the earnings and dividend record of Royal Trustco is equally pertinent in determining the materiality of these discussions. See Elkind v. Liggett & Myers, Inc. (1980), (CCH) Fed. Sec. L. Rep. p. 97,716.

(b) Securities and Exchange Commission v. Mize et al. CCH 1980 . 97, 362 (U.S.C.A., 5th Cir.).

This case involved a complex series of proposed re-organizations, none of which was actually consummated. The Court examined a number of alleged omissions to make disclosures of material aspects of various of these plans. The Court agreed that failure to refer in a press release describing one proposal to another proposal involving a possible spin-off of a subsidiary and possible purchase by insiders of the remaining shares of the

that Section shall be sent to "each offeree not later than ten days from the date of the take-over bid". It is this document that is required to be "prepared in accordance with the Regulations" viz: Section 165.

(b) The Act does not provide that a document containing certain information or emanating from or on behalf of a particular source, viz: the Board of Directors is, ipso facto, "a Directors' Circular". Rather it provides that the document created by Section 96(1) as "a Directors' Circular" shall be sent to shareholders and that that document shall be "prepared in accordance with the Regulations".

5. Accordingly, the provisions of Regulation 165 apply to one thing and one thing only, that document called "a Directors' Circular" created and required by Section 96(1) of the Act. It does not apply to every communication made by or on behalf of a Board of Directors to shareholders whether by letter, newspaper, television, radio or any other form of communication.

6. This is patently clear from the provisions of Section 96(4) of the Act. Pursuant to that subsection the Board of Directors of a target company, once they satisfy their obligations under Section 96(1) by sending "a Directors' Circular" to shareholders, may send a further communication to those shareholders in which they set out their recommendation with respect to the acceptance or rejection of the Bid. It cannot be reasonably suggested that that "further communication" is "a Directors' Circular" since the two terms are used in contradistinction one with the other in this subsection. Accordingly, it cannot be suggested that the provisions of Section 165 of the Regulations would, in law, apply to that subsequent communication.

7. If the Board of Royal Trustco had not included its recommendation to reject the Bid in its Directors' Circular of September 8, 1980, it could have advised shareholders not to tender until after receiving a further communication. In these circumstances, the Board would have been at liberty to send a letter substantially in the form of the letter of September 22, 1980 without any suggestion that it was a Directors' Circular.

8. Section 96 of the Act requires the Board of Directors of an offeree company to send a directors' circular to each offeree not later than ten days from the date of the take-over bid prepared in accordance with the Regulations. Such a circular was sent by Royal Trustco within the time limited therefor. Neither Part XIX of the Act nor the Regulations impose any further obligation on the Directors of an offeree company to communicate with the offeree shareholders. It is acknowledged by

public announcement by the Respondents would have been improper. Any such announcement would only be the product of assumptions and guesswork about what shareholders totally independent from the Respondents would do at a future time. Any such prediction could have been grossly wrong and, in our submission, the Respondents would have been justly subject to criticism for making it.

(d) Securities and Exchange Commission v. Geon Industries, Inc. et al., (1976), 531 F. 2d. 39 (U.S.C.A., 2nd Cir.).

This case involved tipping by the Chief Executive Officer of a public corporation to certain friends and to a broker of meetings to consider a merger of the corporation and of the timing of the board meeting to "rubber stamp" the proposal. This information was clearly very material, a merger being one of the most significant events in a corporate life, and, as in TGS, the Court in considering materiality, relied on active trading by these tippees based on their possession of this confidential material factual information.

However, it is interesting to note that the Court did agree that public disclosure should not have been made of "a transaction as uncertain as this one was" (p. 48). The Court commented:

"This properly recognizes that there are considerations against early disclosure as well as for it. Public disclosure of the Burmah prospect [the possible merger] in mid-October would have built up hopes that might prove to be fully unjustified." (p. 48).

Again, the Court is sensitive to the same concern which motivated the Respondents not to make public disclosure. Even disclosure of matters helpful to a corporation must be delayed until such disclosure is justified.

In addition, in the Geon case, a senior officer prevaricated on inquiries by an Amex official when an imbalance of sell orders indicated a problem. Insiders were in fact trading on early information that a condition of the merger agreement might not be satisfied. Again, while this trading was reprehensible, the Court commented on public disclosure as follows: "Bloom had a good faith belief that the raw information might prove to be untrue... there was too great a danger that such a statement would induce selling that might prove to be unwarranted" (p. 50).

In Financial Industrial Fund, Inc. v. McDonnell Douglas Corp. (1978), 474 F. 2d 514 (USCA, 10th Cir.) cert. den. 414 U.S. 874, the Court recognized that the timing of disclosure is a

matter for business judgment. This case involved information that previous earnings forecasts were probably excessive. The Court held that disclosure had to be "ripe". It commented: "To be ripe under this requirement, the contents must be verified sufficiently to permit the officers and directors to have full confidence in their accuracy." (p. 519). In the present case, not only had the information regarding tendering not been verified, the evidence shows that it could not be as the shareholders would not and did not make up their minds until the last minute.

(e) Chris-Craft Industries Inc. v. Piper Aircraft Corp. (1973), 480 F.2d 341 (U.S.C.A., 2nd Cir.).

This well-known case provides a clear case of deceptive public disclosure. The target corporation in a tender offer put out a public document stating that the "offer was inadequate" when in fact it was in possession of an opinion that the price offered was "fair and equitable" and the major shareholders were negotiating with a third person at the same price. Similarly, they publicly disclosed an agreement by that third person to purchase shares but omitted to state material conditions attached. Again, the Respondents accept that when public disclosure is made it must be scrupulously fair, full and frank.

(f) In the Matter of Cady, Roberts & Co., (1961), 40 S.E.C. 907.

This seminal case is also well-known. It involved the tipping of a dividend cut actually made by the board. Trading took place by and on behalf of the tippee before general public disclosure was effected. There can be no doubt about the correctness of this decision in a free and open market. However, it serves to illustrate how far removed this case involving trading on inside information of an actual dividend cut is from the instant case where only general discussion of past earnings and dividends by senior management took place. There was no trading and no evidence of any proposal even by management let alone the Board or Executive Committee to consider an increase in dividends. To suggest that information conveyed to sophisticated senior officers that management of another public corporation is reviewing its earnings and dividend policy is a tip of a "material fact" is ludicrous. It would be a "material fact" if management was not doing this.

2. The Respondents submit that the very U.S. authorities relied on by Commission Staff as suggesting the imposition of a standard on them which would either have required public disclosure or prohibited the discussions referred to in the evidence, strongly support the propriety of what the Respondents in fact did. There were no material facts conveyed to individuals and

there were no material changes which warranted public disclosure.

C. FAILURE TO CALL EVIDENCE

1. Commission Staff in its argument at page 67 makes the following submissions concerning the significance of the Respondents' decision not to call evidence:

a) that the evidence submitted by Commission Staff constituted a prima facie case with respect to the allegations in the Notice of Hearing;

b) that an explanation from White or Scholes would have been helpful "with respect to several issues"; and

c) that the Commission is therefore entitled to draw the inference that their explanations would not have been favourable to their case and, in particular, that where there are "contradictions within the evidence presented and the testimony of White and Scholes could have resolved these difficulties", such contradictions should be resolved in a manner which is least favourable to them.

2. The Respondents submit:

a) that no prima facie case is made out with respect to the allegations in the Notice of Hearing, that the Respondents were therefore entitled to take their stand on the evidence submitted, and that no inferences may be drawn from the Respondents' failure to call evidence; and

b) specifically, that Commission Staff, having led positive evidence which does not create a prima facie case against the Respondents, cannot then disregard that evidence and attempt to rely on adverse inferences to fill the gaps in its case.

3. Commission Staff has not particularized:

a) any issues with respect to which further evidence would have provided any meaningful explanation; or

b) any contradictions that require further evidence for their resolution.

4. Accordingly, it is not now possible for the Respondents to know the nature of this allegation and to address it in any specific way.

THE LAW

5. No inferences may be drawn from a respondent's failure to call evidence if a prima facie case has not been made out against him.

M'Queen v The Great Western Railway Company (1875),
L.R. 10 Q.B. 569, 574

Mudrazia v Holjevac et al, [1970], 1 O.R.
275, 277 (H.C.J.)

6. Moreover, the failure to call evidence cannot be used in order to draw inferences of fact to fill in gaps in the case of the party on whom the burden is placed to establish a prima facie case in order to create a prima facie case.

O'Donnell v Reichard, [1975], V.R. 916, 920-921

V. CONCLUSIONS

1. The Respondents submit that the only relevant disclosure obligations under the Act are set out in Sections 74 and 96 of the Act.

(a) In respect of Section 96, there is an obligation to deliver a Directors' Circular within ten days of the date of the Bid.

(b) In respect of Section 74, there is an obligation to make timely disclosure of a "material change".

2. The Respondents submit that the obligation to deliver Directors' Circular under Section 96 of the Act was satisfied and that the Circular delivered contained full, true and plain disclosure of all material facts known to the Respondents at the date thereof.

3. There is no suggestion of any "material change" that would trigger the obligations under Section 74.

4. The Respondents submit that they did not breach the prohibition contained in Section 75(1)(b) by informing, other than in the necessary course of business, The Toronto-Dominion Bank of a material fact or material change before that material fact or material change had been generally disclosed for all of the reasons previously set forth in these submissions.

5. The Respondents submit that there is no obligation to deliver an amendment to or a further Directors' Circular after a

take-over bid has been extended in time and the offer price has been increased or at all.

6. The Respondents say that the letter of September 22, 1980 is none of a Directors' Circular or amendment thereto, a Director's Circular or an Officer's Circular and that therefore the provisions of Sections 165 and 166 of the Regulations and of Forms 32 and 33 have no application to it.

7. Accordingly, the Respondents submit that the allegations set out in the Notice of Hearing have not been established.

ALL OF WHICH IS RESPECTFULLY SUBMITTED BY

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APPENDIX

ANALYSIS OF THE STAFF SUMMARY OF THE EVIDENCE

MEETING OF AUGUST 27TH, 1980 BETWEEN CAMPEAU AND WHITE

The testimony of Robert Campeau ("Campeau") was demonstrated, in cross-examination, to be unreliable. Campeau purports to remember details of his conversation which he perceives will advance his case and yet he is unable to recall very significant facts surrounding this bid.

When asked whether he disclosed, to the public, the number of shares tendered under the first bid he stated that he did not remember nor could he remember disclosing that information to the Securities Commission or the Stock Exchange. Incredibly, he could not even recall whether he had been asked to disclose the number of shares tendered under the bid. Campeau went so far as to say that he did not think that the disclosure of that information was important to the public. (Page 130, line 15 to page 133, line 22). However, when asked about a request from the Commission to disclose the number of shares, Campeau stated: "I don't recall. The Commission might have requested the Company and I would not be aware of it." (Page 133, line 25)

Campeau denied that he had asked Mulholland whether or not the Bank of Montreal would finance half of the bid. (Page 134, lines 1 to 10). Mulholland testified in Examination-in-Chief that Campeau had called him on the evening of August 26th at approximately 10:30 and among other things asked whether the Bank of Montreal would do 50% of the banking of the takeover. (Page 245)

According to Campeau's evidence White thought the offering price of \$21 a share was good and that Mulholland thought it was "excellent". (Page 134, lines 15 to 20). Mulholland stated that in his opinion, while it is not his area of expertise, the shares were worth \$50. (Page 256, lines 25 to 30 and page 279, lines 25 to 30). Austin Taylor has testified that in his opinion Campeau's offering prices of \$21 and \$23 a share were inadequate. (Page 539, lines 5 to 15). Thomson testified that the price offered by Campeau was too low. (Pages 378 to 379)

Campeau denied that during the August 26th conversation with Mulholland he was told that the Bank of Montreal would not tender its shares. (Page 135, lines 5 to 12). Mulholland stated that he certainly gave Campeau the impression that the Bank of Montreal had no intention of tendering its shares at that time. (Page 279, lines 5 to 20). Mulholland testified that during the

meeting of August 27th, 1980 he gave Campeau the same "very clear impression that we were not then minded to tender our shares." (Page 247, lines 14 to 25).

Campeau denied that he told Mulholland that he ought to tender the Bank's shares bought after August 27th because "there might be trouble with the Commission if it didn't?" It was Campeau's evidence that he merely suggested to Mulholland that it would be a matter of good faith. (Page 248, lines 12 to 28). Mulholland's recollection of this conversation is that Campeau advised him that the Bank should tender the shares that it had purchased since the date the bid was announced because an investigation had been begun by the Ontario Securities Commission and if the Bank tendered their shares they could avoid embarrassment. (Page 285, lines 18 to 28).

Campeau stated that the "peace plans" were Mulholland's idea and that those plans "came from him". (Page 148, line 28 to page 149, line 24). Mulholland stated that the peace plans were initiated by Campeau who Mulholland stated should receive the major credit for authorship but Mulholland did acknowledge that he had some input into its formulation. (Page 283, line 18 to page 284, line 6; page 290, lines 1 to 12)

Given the major inconsistencies in Campeau's evidence when tested against the evidence of other witnesses called on behalf of the Commission this evidence should be classified as unreliable.

At page 7 of their recitation of the facts, Commission staff referred to the decision of the Royal Trustco Board of Directors "to oppose and set aside the takeover bid of the Campeau Corporation" after White had presumably informed the Board of his conversation with Campeau on August 26th as described at pages 5 to 7 of the Commission staff's argument. However, Commission staff neglects to point out that at the special meeting of the Board of Directors held on September 2, 1980, White also related Campeau's request for his support and assistance on the takeover bid on the basis that White could "name his own price". (Exhibit 11, page 5). Despite this inducement, White advised Campeau that he would oppose the bid and asked Campeau to leave his property immediately.

MEETINGS BETWEEN MULHOLLAND AND WHITE AND CAMPEAU

On page 8 of their argument, Commission staff state that Mulholland advised Campeau and White on August 27th that the Bank "was not minded to tender its shares" and then concludes that "the Bank's position was clear throughout to both Campeau and White - (i.e.) that it owned approximately 10% of the shares

and that it would not be tendering under the bid". This recitation of the facts relating to the Bank of Montreal's intention to tender suggests that the Bank had a fixed, long-term intention at August 27th and throughout the period of the Bid, that it would not tender. This is not the evidence of Mulholland and, indeed, as indicated previously, is not the evidence of Campeau as to Mulholland's expressed intention.

Mulholland testified that the substance of what he told Campeau on the evening of August 26th was that the Bank was not then minded to tender its shares under the bid. (Page 279, line 5). He further testified that on August 27th he gave Campeau "a very clear impression" that the Bank was not then minded to tender their shares. (Page 247, lines 14 to 24). Mulholland testified that the same general view of the Bank was given to White on August 27th. (Page 248, line 15). Furthermore, it was Mulholland's testimony that he did not give White any long-term commitment as to what the Bank of Montreal was minded to do because "You can't make those kinds of commitments." Furthermore, Mulholland stated that "at some point the balance shifts, and that is why people do not make those kinds of hypothetical commitments." (Page 279, line 20 to page 280, line 5). Therefore, the evidence does not support the statement that Mulholland advised Campeau and White on August 27th that the Bank was not minded to tender its shares as alleged by Commission staff in its Argument.

The evidence does not support the statement that the Bank's position was "clear throughout" that the Bank would not be tendering under the bid. The evidence referred to in the previous paragraph has indicated that no such intention existed and no such indication was given on August 26th or 27th; furthermore, in answer to the question whether Mulholland had ever given White a commitment that he would not tender or whether that was generally the indication, Mulholland stated "No. I'm sure Mr. White is experienced enough not to even ask, and he didn't." (Page 248, lines 17 to 23).

Furthermore, when asked about his contact with Campeau or anyone from Campeau's organization, or White or anyone from his organization, from the 19th September to the 28th September, Mulholland responded: "My recollection - - and it is not an absolute one - - is that after the 19th and the first offer, as it were, so far as my exposure to any of the participants here, had pretty well fizzled away to nothing..." (Page 290, line 24 to page 291, line 8). Given this absence of any contact with either Campeau or White or anyone from their respective organizations, it is not possible for Commission staff to assert that it was "clear throughout" to both Campeau and White the the Bank of Montreal would not be tendering under the bid.

Commission staff rightly state at page 9 of their argument that "When Mulholland discovered that the Bank did not, in fact, own slightly under 10% he gave instructions, on the morning of August 28th, that sufficient shares should be purchased to bring the Bank up to approximately 10%." However, they neglect to point out that when Mulholland was asked his reasons for giving those instructions, he agreed that one of the reasons was because it was discovered that the Bank of Montreal's traditional holding of just under 10% of the issued stock of Royal Trustco had dropped below the level the Bank expected it held and thus the purchase enabled the holding to be brought back to its original level. Mulholland identified only one other reason for this purchase:

"The other reason was because there were certain advantages a 10% holder has, that an 8% holder does not have, and I think probably the best expression of the Bank's policy, it is a kind of two-tier one, as being basically unsympathetic to concentration of the control in the Royal Trust Company, or any other major institution; but if it is going to happen, anyway, make the best possible deal for our shareholders."
(Page 276, line 20 to page 278, line 8).

There is no evidence that Mulholland gave the instructions to increase the Bank of Montreal's holdings in Royal Trustco as a result of approaches by Royal Trust.

Commission staff's statement on page 9 of their argument that the Bank of Montreal "was also actively engaged in assisting Royal Trustco to defeat the Bid" is not an accurate representation of the facts. Mulholland's testimony indicates that the Bank did not assist Royal Trustco in defeating the Bid. At the highest, the Bank of Montreal considered and rejected a proposal by Royal Trustco concerning a preferred share issue as a possible defensive mechanism to the Campeau takeover bid. Although Mulholland felt that the proposed issue "would have been legal and would have met the letter of the law" he also felt that "it certainly would not have met the spirit of the law; and we didn't really want to entertain a transaction that might be legal, but would definitely be contrary to what we all know, very well, was the intent of the law." (Page 258, line 25 to page 259 line 15). The Respondents submit that had the Bank of Montreal been "actively engaged" in assisting Royal Trustco to defeat the Bid, it would have proceeded with the preferred share issue, since they viewed it as legal and within the letter of the law. Austin Taylor also testifies to the expiration of a potential

plan involving a purchase of Bankmont, a Bank of Montreal subsidiary, by Royal Trustco for the issuance of preferred shares, thus supporting the Respondents' submission that the evidence shows that the Bank of Montreal was not "actively engaged" in assisting Royal Trustco to defeat the Bid. (Page 546, line 2 to line 24).

As further evidence of the Bank's being "actively engaged" in assisting Royal Trustco to defeat the Bid, Commission staff points to a telephone call from Mulholland to Galt to enquire as to the latter's availability for a special meeting of the Board of Directors of the Bank of Montreal which was being called to discuss possible defensive manoeuvres to the takeover bid. Commission staff states that one of the defences explored by the Bank was the issuing of convertible debentures. Commission staff appear to be relying on the testimony of Galt in Volume 2 at pages 210 to 211 in support of these statements.

Galt's testimony reveals that there was only one defensive manoeuvre being considered by the Bank and that that manoeuvre was only a possibility. Galt testified that the Bank was "engaged in looking at possibilities of possibly issuing shares or something..." When asked about his reference to issuing shares and whether Mulholland gave Galt any indication as to who would be issuing shares, Galt replied "Possibly, it was convertible debentures and something that could lead to shares but, no, he did not say who it was." (Page 210, line 2 to page 211, line 9). It is submitted that this testimony clearly shows that Galt's reference to a convertible debenture manoeuvre is a reference to the same manoeuvre of issuing shares and accordingly, that the evidence indicates only one defensive manoeuvre being considered by the Bank of Montreal.

Moreover, this evidence again reveals only the possibility of such a manoeuvre; there is no evidence whatsoever that the Bank actually engaged in any activities to assist Royal Trustco to defeat the Bid. In particular, there is no evidence of a separate defence involving the issuance of convertible debentures as alleged by Commission staff at page 9 of their argument.

At page 9 of their argument Commission staff state that there were "numerous meetings with Royal Trustco officials with respect to these defence tactics"; however, Commission staff do not refer to any evidence in support of this statement, nor do they indicate who was present and which defence tactics were discussed at these meetings.

The only attempts to identify these meetings are the statement that "Austin Taylor was aware of these meetings but was

not part of them" and the reference to Volume 4, pages 545 to 546. The Respondents submit that Taylor's testimony at those pages indicates knowledge of discussions with the Bank of Montreal on the subject of the purchase of Bankmont by Royal Trustco for the issuance of preferred shares, as part of the merger proposal that was considered by Royal Trustco in the early stages of the takeover bid. (Page 545, line 8 to page 546, line 22). Again, this evidence indicates that only one defensive manoeuvre was considered and that it had expired before reaching fruition after discussions which "spanned the latter days of August and the first few days of September." (Page 546, lines 16 to 20).

It is suggested by Commission staff at page 9 that the Bank of Montreal was mentioned as a source of funding for a possible white knight approach of Canwest Development Corporation and reliance is placed on Exhibit 19, page 42 for this statement. Commission staff suggests that the fact that the Bank of Montreal was mentioned as a source of funding indicates that "While Mulholland would not help Campeau against Royal Trustco he, apparently, would finance a White Knight to defeat Campeau." However, the evidence at page 42 of Exhibit 19 indicates that it was Asper of Canwest who said that he "would arrange financing through Mr. Mulholland of the Bank of Montreal" if Canwest were to make a counter-offer for Royal Trustco. This evidence merely reveals Asper's hope that financing could be arranged through the Bank of Montreal; there is no evidence from Mulholland himself that the Bank of Montreal would finance a Canwest takeover bid of Royal Trustco. Although a witness called by Commission staff he wasn't asked the question.

The only evidence by Mulholland which may refer to the Canwest proposal reveals that Mulholland had very little knowledge of the nature of that proposal; in fact, Canwest is not named in Mulholland's testimony as being involved in the "abortive transaction" that came up on September 18th but that was found unacceptable by Royal Trustco's Board. (Page 289, lines 9 to 20). Mulholland was not asked about any involvement by the Bank in the Canwest take-over bid proposal and it appears from his evidence at page 289 that the only information he had on this proposal was that he obtained from White in a conversation on September 19th. Therefore, there is no evidence whatsoever to support the Commission staff's statement at page 9 that Mulholland "would finance" a white knight to defeat Campeau, whereas he would not help Campeau against Royal Trustco. Moreover, there is no evidence from which an inference can be drawn to this effect.

Commission staff suggests at page 10 of their argument that the Bank of Montreal's position can most clearly be gathered

from Mulholland's comments about the "blunder in the securities cage" when it was discovered that the Bank had inadvertently tendered some shares under the Bid. The Respondents submit that Mulholland's testimony on this point clearly indicates embarrassment over the seeming inefficiency of the Bank in tendering shares which were really not intended to be tendered as the cause of Mulholland's rather flustered reaction to the question of whether the Bank of Montreal tendered into the Bid.

Moreover, Mulholland's evidence indicates that the shares that were tendered did not belong to the Bank of Montreal, but to a customer, for he testified that "Unfortunately, they were not our shares." (Page 275, line 22) It is submitted that it was the tendering of a customer's shares when the customer's intention was not to tender such shares that caused Mulholland's Treasurer some excitement and dismay and Mulholland some pain when it was discovered that they were inadvertently tendered under the Bid.

For these reasons, it is submitted that Mulholland's testimony on this point cannot be used as a clear indication of the position of the Bank of Montreal in terms of its desire to assist Royal Trustco in defeating Campeau's bid, as Commission staff appear to suggest at page 10 of their argument.

Commission staff suggest at page 10 that the Bank of Montreal's failure to tender under the bid was perhaps somewhat strange given that Mulholland had told Campeau that the \$21 price was in his opinion excellent. In support of this statement, Commission staff refer to the evidence of Campeau concerning Mulholland's opinion of the price; it is the Respondents' submission, as described supra, that Campeau's recitation of Mulholland's reaction to the price differs from Mulholland's own testimony as to the adequacy of the price and ought not to be accepted at face value.

Similarly, the Respondents' submission that it is not correct to say that "It is clear throughout that the Respondents knew...that the Bank of Montreal would not tender", as Commission staff state at page 10 of their argument, has been explained earlier in this argument.

Commission staff also suggest that "It is clear throughout that the Respondents...had reason to believe that the Bank of Montreal would not tender"; however, no reference is made to any evidence that supports this statement. In fact, it is submitted that the only evidence concerning discussions between the Bank of Montreal and Royal Trustco about the Bank's intent to tender suggests that the only reasonable belief that could be formed as a result of such conversation was that the Bank of Montreal would not commit itself not to tender under the Bid.

ACTIONS OF ROYAL TRUSTCO IMMEDIATELY SUBSEQUENT
TO MEETING BETWEEN CAMPEAU AND WHITE

In their discussion of the contents of the Directors' Circular at page 11, Commission staff neglect to point out that the Directors were unanimously opposed to the bid and gave numerous reasons in the Directors' Circular for that opposition. (Exhibit 4, page 19) Moreover, Commission staff's reference to certain strategies not having been revealed to the shareholders suggests that they were viable alternatives at the time the Directors' Circular was sent to the shareholders. The evidence indicates otherwise.

For example, as Commission staff indicate at page 11, discussions were held between Royal Trustco and the Bank of Montreal in connection with a possible purchase of Bankmont and the issuance of preferred shares, and these discussions occurred towards the latter part of August and the early part of September. However, Commission staff do not refer to the testimony of Mulholland to the effect that this "strategy" was not long lived: "It was kind of a three-day wonder and did not last very long, and I would think after the first ten days or so, it died down somewhat..." (Page 259, lines 20 to 27) Taylor's testimony also indicated that he believed this "strategy" had "expired". (Page 546, line 24).

Commission staff refer to the strategy of a possible issuance of treasury shares at page 12 of their argument. They rightly refer to Taylor's testimony which indicated that he felt that this was not a practical or suitable alternative. It appears clear from Taylor's testimony that the issuance of treasury shares was considered in two circumstances only: (1) in contemplation of the merger possibility (which has already been described) and (2) the topic of "a conversation between an officer of Royal Trustco and a member of the firm of Bell Gouinlock". Taylor testified that there was "discussion at that point in time" of the issuance of additional treasury shares and that "that plan also came to no avail." (Page 546, line 25 to page 547, line 21). Thus, it appears from Taylor's evidence that this "strategy" was very limited in terms of the number of people with whom it was discussed and in terms of the length of its existence as a topic of discussion.

Reference is made by Commission staff at pages 12-14 of their argument to the strategy entitled "Plan A" and to various contacts made by Taylor with respect to Plan A. The evidence shows, however, that Plan A and Plan A-1 had died before the date of the Directors' Circular. Taylor's testimony concerning the result of his contact with various organizations about Plan A or Plan A-1 supports his affirmative answers to the question of

whether it would be fair to say that Plan A or Plan A-1, as of September 7, had not gotten off the ground at all and the question whether it would be fair to call Plan A or Plan A-1 a non-starter. (Page 603, lines 15-21):

(a) Toronto-Dominion Bank: On Monday, the 1st of September, The Toronto-Dominion Bank advised Taylor that they were not planning on taking part in a plan like Plan A or Plan A-1. (Page 600, lines 6-15)

(b) Cemp Investments: By the evening of Monday, September 1, the approach to Cemp concerning Plan A had come to naught. A meeting that Taylor had originally scheduled to discuss Plan A with Cemp for that evening was cancelled. (Page 600, lines 25-30)

(c) Credit Foncier: On September 2, Credit Foncier advised Taylor they had no interest in Plan A or Plan A-1. (Page 601, lines 9-11)

(d) Chieftan Developments: By the 4th or 5th of September, Chieftan Developments had indicated they would not participate in Plan A or Plan A-1. (Page 601, line 17 - Page 603, line 6)

(e) Noranda: On Sunday, September 7, Powis of Noranda indicated that Noranda had no interest in Plan A or Plan A-1. (Page 603, lines 7-14)

(f) Central and Eastern: As Taylor considered that Central and Eastern were one and the same with Cemp at the time they were approached about Plan A, that approach had come to naught by the evening of September 1. (Page 600, lines 26-30)

(g) Canwest: The approach to Canwest on September 15 concerning Plan A was the passing along of information as an historical fact that had occurred. (Page 604, lines 1-19) Taylor testified that "in the case of Canwest, it was more a point of information". (Page 555, lines 14-17)

Reference is made by Commission staff at page 14 to approaches to Cemp, Central and Eastern, and Canwest concerning the possibility of their becoming white knights. There is no such evidence. Taylor's testimony indicates that as of September 7, there were no white knights on the horizon and that Taylor had not sought out any white knight prior to September 7, apart from his discussions concerning Plan A or Plan A-1. (Page 603, lines 22-29)

Commission staff refer to Exhibit 17 as being "instructive as it shows the areas of responsibility and who is going to make the contacts. In a couple of cases, it indicates that contact had already been made by either the Respondents or officials of Royal Trustco". (Page 12) This reference suggests that the list of potential participants in Exhibit 17 was an important part of the Plan A and Plan A-1 strategy.

However, the evidence shows that this list was never seen outside McLeod Young Weir's offices at the relevant times. (Page 551, lines 10-24) Furthermore, although Exhibit 17 might appear to suggest that someone from Royal Trustco had been in touch with The Bank of Montreal with respect to Plan A, Taylor testified that the notation of "RT" under the "responsibility" column in Exhibit 17 next to The Bank of Montreal's name does not necessarily mean that someone at Royal Trust had talked to The Bank of Montreal with respect to Plan A. Taylor testified that to the best of his knowledge, the "responsibility" column was not followed; further, he testified that he "was aware that Royal Trust were in a conversation with The Bank of Montreal, but not necessarily in contact on Plan A". (Page 552, line 6 - Page 553, line 13) The Respondents submit that it is also of significance that Mulholland, in the course of giving evidence on all of his contacts with officials of Royal Trustco during the bid, made no reference to Plan A.

Furthermore, Taylor testified as to the meaning of the names shown in the "responsibility" column in Exhibit 17 and said that "responsibility referred to who might be the best person to contact them". (Page 551, line 25 - Page 552, line 6) It is submitted that this explanation of the meaning of that column does not logically lead to the conclusion that the person who is designated as the best person to contact someone actually did contact them. In fact, it appears as though it is the "response and comments" column on Exhibit 17 that was intended to indicate the status of any contact made with potential participants. (Page 551, line 25 - Page 552, line 6)

The only other reference on Exhibit 17 to a possible contact having been made is the reference that someone had called Frazee of The Royal Bank and was waiting for a return call. Taylor testified that he had placed the call to Frazee and left his name and number but had never received a return call. (Page 637, lines 1-13)

PURCHASE OF SHARES BY ROYAL TRUST PENSION FUND

At page 14, Commission staff state that the Respondent's "strategy" to purchase shares of Royal Trustco for the benefit of The Royal Trust Company Pension Fund was never revealed to the shareholders. However, a decision was taken by the

Respondents on the first weekend in September not to proceed with this purchase and the contracts were taken over by Sun Life early the following week. (Page 171, line 6 - Page 173, line 25) Accordingly, by the date of the Directors' Circular, this so-called "strategy" was no longer in existence.

Commission staff state at page 15 of their argument that "...by Friday, August 29, 1980, before the actual mailing of the Campeau offering documents to the shareholders, the Respondents had made a capital outlay of slightly in excess of \$8,000,000.00 in order to purchase shares for the Pension Fund." There is no evidence to support this statement; in fact, the evidence concerning payment for the shares which were purchased pursuant to the order originally placed by Royal Trustco is to the contrary. The staff apparently rely upon Exhibit 2, pages 4 and 5, for this statement. However, that Exhibit merely records the date of the placing of the orders and the price at which the shares were bought and does not record information concerning payment for shares.

Furthermore, Taylor's evidence is that McLeod Young Weir "received payment from The Royal Trust on behalf of their client, Sun Life," and that, though the orders were placed on the 28th and 29th of August, settlement for those orders was, in fact, made on the "fifth trading day following the days of execution" (viz: September 4 and 5). (Page 599, lines 1-26)

In addition, McNeil testified that Sun Life "opened another account with Royal Trustco and we sent them the cheques over and paid for delivery from the regular delivery dates and the right amount". (Page 175, lines 5-19)

Accordingly, the Respondents submit that the evidence shows that they never made a capital outlay of any amount of money in order to purchase these shares and, further, that the outlay that was made by Sun Life for those shares was made after Friday, August 29, contrary to the statement appearing at page 15 of Commission staff's argument.

Commission staff seek to establish by inference that Royal Trustco knew that Sun Life would not tender to Campeau by asserting that "It is clear that the Respondents would not sell the shares to someone who they had reason to believe, would tender under the bid. They obviously would sell the shares to a friend who they were confident would not tender to Campeau". However, the Respondents submit that the evidence concerning Royal Trustco's knowledge of Sun Life's intention to tender does not support this inference.

McNeil testified that Sun Life's decision with respect to whether they would tender their shares under the first bid was taken between the 18th and 19th of September and that so far as he was concerned, there was no indication of that decision to White or Scholes. (Page 183, lines 2-23) Furthermore, McNeil testified that Royal Trustco "had no means of knowing whether we would or whether we would not [tender] and that it was conceivable that Sun Life could have turned around and told Scholes that Sun Life was going to tender their stock". (Page 187, line 13 - Page 188, line 9)

Similarly, Galt testified that he did not advise White, Scholes, or anyone on behalf of Royal Trust, that Sun Life would not tender its shares prior to the 19th of September and that to his knowledge there was no contact between Galt or anyone in Sun Life with White or Scholes concerning the bid or tendering into the bid between the 19th of September and the 2nd of October. Furthermore, Galt testified that "it certainly would not" be an accurate statement to say that White or anyone on behalf of Royal Trustco could and had locked up or tied up the shares Sun Life held in Royal Trustco in respect of the takeover bid. (Page 233, line 5 - Page 234, line 6)

THE "FRIENDS" APPROACH

The Commission staff state at page 16 of their argument that "In several of the contacts made by the Respondents, the question of past, present and future business was discussed". This statement is made in the context of supporting an argument that appears at page 16 to the effect that White and Scholes had tremendous leverage with their "friends" which would lead to serious consideration of a request for assistance from Royal Trustco in thwarting Campeau's bid by anyone who wished to continue their business relationship with Royal Trustco. However, the evidence reveals that Royal Trustco did not use their alleged leverage:

(a) Sun Life: There is nothing in McNeil's testimony to suggest that such leverage had any effect on Sun Life's decision to purchase or to tender. Similarly, the testimony of Galt reveals no evidence concerning Royal Trustco's leverage on Sun Life's intention to purchase or tender.

(b) Bank of Montreal: Although Mulholland confirmed that The Bank of Montreal has historically been the leading banker for Royal Trustco (Page 243, lines 12 - 22), it is significant to note that Mulholland rejected a suggestion, which he testified White made, to the effect that the Bank might hold more than 10% of Royal

Trustco's shares and still comply with the letter of the Bank Act. (Page 257, line 19 - Page 258, line 10) Similarly, Mulholland rejected a defensive mechanism involving the issuance of preferred shares which met the letter of the law, but which Mulholland felt did not meet the spirit of the law. (Page 258, line 25 - Page 259, line 27) These rejections of proposals which may have aided Royal Trustco in defeating Campeau's bid do not support the inference that The Bank of Montreal was responding to the leverage that Royal Trustco may have had because of its business relations with the Bank.

Furthermore, Mulholland's evidence to the effect that he never gave White any long-term commitment as to the Bank's tender intention which has been described herein and to the effect that White never asked for such a commitment (Page 248, lines 17-22) again supports the inference that The Bank of Montreal was not responding to any leverage that Royal Trustco might have which would influence them to assist Royal Trustco in thwarting Campeau's bid. In fact, Mulholland's unsuccessful urging of Campeau's compromise proposal to White on September 10, indicates an independence of spirit from Royal Trustco, for as Mulholland testified, "He [White] was not sympathetic to it. Nor, I think it is fair to say, he was not sympathetic to our efforts in forwarding it". (Page 252, line 19 - Page 254, line 23)

(c) The Toronto-Dominion Bank: Hale's testimony contains no evidence of the use of leverage by Royal Trustco in an attempt to persuade The Toronto-Dominion Bank to purchase and hold shares.

There is no evidence in the testimony of Mercier to support the use of leverage by Royal Trustco. In fact, Mercier's testimony confirms Hale's to the effect that The Toronto-Dominion Bank was already investigating the possibility of investing in Royal Trustco shares prior to Wickens' meeting with Mercier on August 29, in accordance with their usual policy of investigating the merits of takeover bids and the investment suitability of taking a position whenever a takeover bid is made in the Canadian market. (Page 306, line 22 - Page 307, line 5)

Hockin's testimony does not indicate any reference to the business relationship between The Toronto-Dominion Bank and Royal Trustco having been made prior to

September 17, 1980. Hockin testified that on September 17, there was "nothing specific" discussed about business development projects between the Bank and Royal Trustco - "Just general goodwill was expressed". When asked to expand on what he meant by "general goodwill", Hockin responded: "That they told us they liked us and had done business with us in the past, in many ways, and they would continue to do business with us in future, and we said much the same to them." (Page 357, line 19-30) Hockin's testimony does not support a finding of the attempted use of leverage by Royal Trustco; he was not asked whether the prospect of future business relations with Royal Trustco entered into The Toronto-Dominion Bank's decision not to tender and it is submitted that no such inference may be made from his evidence.

Hockin testified that the Bank did not, in fact, provide any after-tax financing which Wickens had apparently been seeking when he first contacted the Bank after the bid was announced. (Page 361, lines 1-10) At no place in either Hockin's or Mercier's discussion of Wickens' desire to receive after-tax financing in order to finance the purchase of shares of Royal Trustco is it suggested that Wickens referred to continuing business relationships with the Bank in order to persuade the Bank to give Royal Trustco this financing.

There is no evidence in Thomson's testimony to suggest that Royal Trustco used leverage with The Toronto-Dominion Bank to persuade them to purchase and/or not to tender their shares. In fact, when asked whether the fact that Royal Trustco wanted the Bank to buy stock and hold it had a bearing on their decision, Thomson stated: "It certainly didn't..." (Page 404, lines 20-25).

(d) Oxford Developments: Although Love testified that an "underlying reason for making the decision" to buy shares of Royal Trustco was "to develop a mutually satisfactory relationship with the Royal Trust over the years to come" (Page 439, lines 18-28), the evidence demonstrates that Oxford made the major part of its Royal Trustco share purchases prior to having any contact with anyone from Royal Trustco. Love testified that his first contact with White and Scholes during the bid period occurred on September 23. Furthermore, apart from the meeting on the 23rd of September, Love testified that there was no contact with White or

Scholes from the 23rd of September up to and including October 2. (Page 437, line 23 - Page 438, line 7) Love also testified that he did not have any discussions with White and Scholes in his September 23 meeting about the future of Royal Trustco. (Page 434, line 29 - Page 435, line 1)

(e) Olympia & York: There is no evidence in the testimony of Reichmann to suggest any discussion with MYW or their Counsel or anyone at Royal Trustco about past, present or future business. The only discussion about future relations between Olympia & York and Royal Trustco was Reichmann's request, on September 24, that he receive some assurance that Royal Trust would welcome a shareholder with 20% and that Olympia & York would be invited to have representatives on the Board and the Executive Committee. (Page 447, line 11 - Page 448, line 30) Furthermore, Reichmann testified that he had no contact with White or Scholes concerning the bid between September 25 when Olympia & York, through its broker, began to purchase Royal Trustco shares, and October 2. (Page 451, line 25 - Page 452, line 5)

(f) Noranda: Although Powis testified that "various Royal Trust accounts are substantial holders of Noranda shares" and that the percentage of such holdings is "about 5%" (Page 459, line 10 - Page 460, line 2), he also testified that Noranda had been considering the purchase of shares of Royal Trustco prior to White's telephone call to Powis on Sunday, September 7. (Page 458, line 29 - Page 459, line 2 and Page 468, lines 14-30) There is no evidence that his conversation with either White or Taylor on Sunday, September 7 included any reference to past, present or future business. Furthermore, the evidence is that Powis and Taylor did not discuss Noranda's intention with respect to tendering, although Powis acknowledged that he thought Taylor assumed Noranda would not tender from the nature of their discussion. (Page 464, line 1-11) Apart from a telephone conversation with White on September 17, Powis had no contact with White or Scholes between the 7th of September and the 19th of September and had no contact with Scholes or White from September 19 to October 2. (Page 469, line 1-11)

(g) Canadian Imperial Bank of Commerce: Although Harrison testified that there is "a very broad relationship" between the CIBC and Royal Trust and that "we have a lot of business with Royal Trustco of various kinds" (Page 472, line 9-22) and that a reason

for purchasing the shares was that "we had a very close personal relationship with Royal Trustco that, in my view, could have been in jeopardy" (Page 477, line 5-25), there is no evidence that this relationship was the topic of conversation in either of Harrison's discussions with White. When Cole was asked whether his discussion with Wickens in the meeting on September 12 included a discussion of the Commerce relationship with Royal Trustco, he responded, "It didn't". (Page 488, line 26 - Page 489, line 5) There is no suggestion in the evidence that the CIBC's business relationship with Royal Trustco was mentioned in Cole's second meeting with Wickens on September 17.

(h) Commercial Union: The evidence of Denman is contrary to the suggestion that Royal Trustco attempted to use leverage in persuading Commercial Union to purchase and/or hold shares. Although Denman made his opposition to the takeover known to Royal Trustco early on in conversations with Otley and White, there is no evidence of any "leverage" being used by Otley or White. Further, Denman testified that: "Mr. White [after being informed of Commercial Union's intention to purchase shares] immediately declared his interest in the matter and told me he could give me no advice or comment and said that we should do as we think is best". (Page 531, lines 17-25) Similarly, the concern which Denman testified he felt about the possibility of Commercial Union's "very long relationship with Royal Trust which we value" being affected by a successful takeover bid seems to have influenced his decision to purchase more shares, but there is no evidence that Royal Trust tried to take advantage of Commercial Union's concern about this relationship in order to have them purchase and/or hold shares. (Page 530, line 11 to page 531, line 25)

The Commission staff at page 16 of their argument allege that the evidence is that "While the individuals and corporations approached were aware they were not the only 'friends' contacted, the Respondents did not make this defence strategy known to the shareholders at large." The Respondents submit that the evidence does not support the statement that Royal Trustco told the individuals and corporations they approached to purchase and hold shares that they were not the only "friends" being contacted. Rather, the evidence shows that such awareness as the individuals and corporations approached had of that fact was obtained through press announcements or other avenues unrelated to any information that may have been given to them by Royal Trustco individually:

(a) Sun Life: McNeil testified that he was aware from market activity that other people were buying and selling shares, but when asked whether he was aware of who else was buying in any quantity, he responded "I have no knowledge who else was buying." (Page 184, lines 6 to 15)

Galt's testimony is that White did not indicate to Galt in his telephone conversation with him on September 17th the names of any of the buyers of the shares. (Page 229, lines 14 to 17). Furthermore, when asked by Mr. Bray whether there was any discussion at the October 1st Board Meeting of Sun Life at which certain individuals of companies who appear in Exhibit 2 as purchasers were present, "about the positions of those companies and the positions they propose taking on the bid as to tendering", Galt responded "None whatever." (Page 237, lines 7 to 25)

(b) Bank of Montreal: There is no evidence in Mulholland's testimony to support the Commission staff's statement that Mulholland was aware that The Bank of Montreal was not the only "friend" contacted. Mulholland was unable to recall White ever having mentioned a specific name and testified that "most all of the names of people that bought shares were learned about in the newspapers." (Page 287, lines 5 to 19)

(c) The Toronto-Dominion Bank: Although the testimony of T.D. Bank officials indicated that White mentioned the names of the Bank of Montreal, Sun Life, Oxford, and, possibly, Noranda at his meeting with Thomson on September 17th, those names were mentioned in the context of shareholders who would not be tendering under the Bid. The evidence does not show any reference at this meeting by Royal Trustco to having contacted these shareholders in order to persuade them to buy shares and hold them; therefore, there is no evidence that the T.D. Bank was given any knowledge of this alleged "strategy". Furthermore, Thomson testified that when they made the decision not to tender their shares, the Bank had at that point in time no specific knowledge of similar decisions of other large holders and that "we made no attempt to get any feel, because you want to keep your own options open..." (Page 400, lines 5 to 22)

(d) Oxford Developments: There is no evidence in the testimony of Love to support the statement that Oxford Developments had any knowledge whatsoever of the

alleged "strategy" of approaching "friends" to buy and hold shares. Love's testimony indicates that his only contact with Royal Trustco was in the meeting with White and Scholes on September 23rd, 1980 and there is no testimony concerning the content of that meeting to suggest that White or Scholes indicated any such alleged "strategy" to him. (Page 433, line 25 to Page 437, line 16)

(e) Olympia & York: There is no evidence of any discussion with Olympia & York that would give them knowledge of Royal Trustco's alleged "strategy" of inducing "friends" to buy and hold shares.

(f) Noranda: There is no evidence that Royal Trustco informed Noranda of their alleged "strategy" of approaching "friends" to purchase and hold shares. Powis testified that White gave him no reason why White was hopeful that the Bid would fail in his conversation with Powis on September 17th, saying "I don't think he had to, based on what was happening in the market. I assumed that a lot of other people had done what we had done." When asked whether White gave Powis any indication as to who else may have purchased, Powis answered "No". (Page 465, line 28 to Page 466, line 7)

(g) Canadian Imperial Bank of Commerce: There is no evidence that Royal Trustco informed Harrison of their alleged "strategy" of inducing "friends" to purchase and hold shares. Harrison's evidence is that he was not aware of the identity of other buyers of shares unless it was in the press: "If it was in the press I would assume I was." (Page 478, line 28 to Page 479, line 9)

Apart from what he may have read in the press, Harrison testified that he had no other knowledge whatever of other purchasers of shares of Royal Trustco. (Page 480, line 25 to Page 481, line 1)

(h) Commercial Union: There is no evidence that Royal Trustco informed Denman of their alleged "strategy" of inducing "friends" to purchase and hold shares.

Thus, there is no evidence to support the statement that this alleged "strategy" was disclosed to selected shareholders.

SUN LIFE ASSURANCE COMPANY OF CANADA

The call from Wickens to McNeil on August 27th merely established that Sun Life would be either sympathetic or receptive to a meeting with a representative of Royal Trustco. There was no discussion during that conversation of the purpose of the meeting. (Page 164, line 15 to Page 165, line 5) Commission staff's statement of fact with respect to Scholes' knowledge that Sun Life would not be tendering under the Bid is inaccurate, as demonstrated on page 21.

MEETING OF BOARD OF DIRECTORS OF SUN LIFE
ON SEPTEMBER 3rd, 1980

While Messrs. Gordon, Powis and Sinclair, none of whom are members of the Royal Trustco Board of Directors, were present during the Sun Life Board Meeting of September 3rd, 1980 wherein the decision to purchase Royal Trustco shares was confirmed, there was no decision at that meeting with respect to tendering the shares and in fact it was decided that it was too early to discuss it. (Page 225, line 25 to Page 226, line 2) Similarly, Scholes could not have been aware on the evening of September 3rd, 1980 that Sun Life did not intend to tender under the Bid since that decision was not made until September 18th or 19th. (Page 183, line 2 to line 22)

There is no evidence that Canadian Pacific Limited was influenced in making its purchase by reason of the September 3rd, 1980 Board Meeting of Sun Life.

NORANDA MINES LIMITED

While White did contact Powis on Sunday, September 7th, Powis stated to White that the call was a coincidence because he had been considering calling White the following day with respect to the purchase of Royal Trustco shares. There is no evidence that Powis advised White that Noranda was "very friendly with Royal Trustco". While there is evidence that it was Powis' intention to call White the following day on the basis that Noranda was friendly with Royal Trustco there is nothing in the evidence to suggest that Powis told White that Noranda was "very friendly" during the course of their September 7th, 1980 telephone call. The only evidence is that Powis indicated to White that Noranda was considering a purchase and that upon receipt of that information, White suggested that he would get Austin Taylor to contact him. Austin Taylor is a neighbour of Powis. (Page 458, line 5 to Page 460, line 20)

Taylor's acknowledgement that he told Powis that other friends were buying in the market was in fact merely an assumption on Taylor's part that Powis drew that inference from the

fact that Taylor's firm had been active in purchasing in the market and that that firm was the financial advisor to Royal Trust, however, apart from this assumption the only statement acknowledged by Taylor was that he told Powis that it would not be in his interest and certainly, not in Taylor's interest or in MYW's interest for Taylor to disclose the activity of anyone else. (Page 572, line 10 to page 573, line 5)

Noranda did not begin purchasing shares until September 8th (Exhibit 2, page 14) and in fact Powis had no discussion with either White or Scholes between September 7th and September 17th (Page 469, lines 1-6). On September 17th, Powis acknowledged to White, for the first time, that Noranda had in fact purchased shares. (Page 465, line 10 to Page 466, line 30).

There is no evidence to support the statement by Commission staff at Page 21 of their argument that Powis made White aware that Noranda would not be tendering under the Bid. As previously stated, the evidence shows that Powis advised White on September 17th for the first time that Noranda was a shareholder of Royal Trustco; however, there is no evidence that Noranda's intention to tender was discussed in this conversation. (Page 466, lines 19 to 26). Furthermore, the evidence indicates that Powis had no contact with White or Scholes after the telephone conversation on 17th September until October 2nd of 1980. (Page 469, lines 1 to 10).

COMMERCIAL UNION ASSURANCE COMPANY LIMITED

With respect to their description of the conversation between Denman and White on September 2, 1980, Commission staff have neglected to mention that as soon as Denman advised White of Commercial Union's intention to buy additional shares of Royal Trust, White immediately declared his interest in the matter and told Denman he could give him no advice or comments and said that Commercial Union should do as they thought best. (Page 531, lines 17-25)

CANADIAN IMPERIAL BANK OF COMMERCE

At page 23 of their argument, Commission staff neglect to mention that Harrison's testimony concerning his conversation with White on August 29, 1980 was that when White alluded to publicity that had been in the press and Harrison inferred that White would appreciate any help the CIBC might be able to give Royal Trustco, Harrison gave White "a negative reaction" (Page 472, line 16 - Page 473, line 9, Page 479, lines 10-22 and Page 481, lines 3-9)

Furthermore, Harrison testified that after talking to White on August 29, he did not speak to White about the bid or share purchases until White telephoned him some time after the second bid, nor did Harrison advise White or Scholes that the CIBC had, in fact, purchased shares. (Page 481, lines 2-20)

Cole testified that he did not give Wickens any indication as to the Bank's decision with respect to purchasing during the meeting with Wickens on September 17 (Page 491, lines 26-29) and, further, that to his knowledge Royal Trustco was never advised of the CIBC purchases. (Page 493, lines 22-26) Cole also testified that he did not give Wickens any indication during his conversations with him as to the CIBC's position with respect to the Campeau bid. (Page 493, lines 27-30)

Cole's testimony in response to the question of whether the Bank had any intention with respect to tendering when it purchased the shares was that "the subject was open". This conflicts with Commission staff's statement at page 24 of their argument that the Commerce did not purchase the shares for the purpose of tendering, which suggests that the question of tendering was resolved in favour of not tendering at the time of the purchase in direct contradiction of Cole's testimony in this regard. (Page 492, lines 25-29)

In their argument at page 24, Commission staff refer to an update that was given to Cole by Wickens in his visit on September 17. Cole's testimony indicated that the update was "relative to the public information that had been disseminated since the original bid was expressed" (Page 489, lines 23-26) and that by the term "update", Cole meant that Wickens "simply reviewed the information that I had read in the newspaper". Cole confirmed that the update was a review of the existing situation. (Page 502, lines 21-30)

THE TORONTO-DOMINION BANK

Contrary to the statement that appears at page 25 of the argument of Commission staff, there is no evidence that Wickens revealed the extent of the ownership of Royal Trustco shares by the Bank of Montreal in his meeting with Mercier on August 29, nor is there any evidence that he indicated the position of the Bank of Montreal in the takeover bid to Mercier at that time. (Page 304, line 27 - Page 305, line 13)

The second paragraph on page 25 of the Commission staff argument gives the impression that the meeting which was held after Wickens' meeting with Mercier was called in order to consider the ways in which the Bank could become involved in assisting Royal Trustco to defeat the bid. The evidence shows that was

not the purpose of the meeting. The meeting had been previously arranged in accordance with the Bank's common practice of examining the merits of a take-over bid and also the investment suitability of taking a position when a take-over bid is made in the Canadian market. (Page 306, line 25 - Page 307, line 4 and Page 373, lines 1-22) Prior to the meeting between Mercier and Wickens, Hale had already formed the opinion that The Toronto-Dominion Bank should purchase Royal Trustco shares and expressed that opinion verbally at the meeting following Mercier's discussion with Wickens. (Page 332, line 10 - Page 333, line 5) A decision was made on the morning of Friday, August 29 that there would be no after-tax financing available. (Page 403, line 23 - Page 404, line 19)

The description of the considerations of The Toronto-Dominion Bank with respect to Plan A as related by Commission staff on page 26 of their argument, is taken from Exhibit 8 which was a memorandum prepared by Hale nine days after the meeting and which he has stated to be accurate only as to people, time and events and the general topic of discussion. He did not, at any time, confirm the precise details contained in the memorandum. (Page 331, lines 25-30)

The oral evidence with respect to the concerns the Bank had on August 31 arising out of Plan A is:

(a) Hale: "In a further discussion that evening, it became apparent that our participation in Plan A had a very serious disadvantage, of tying our hands, so to speak, as to the dealings we would have with any Royal Trust shares that we bought, and this was recognized as a very significant negative from The T-D Bank's point of view, to Plan A."

"Question: Was there any discussion about the timing of Plan A, how long it would take to put into effect, etc.?"

"Answer: I believe there was. There was some doubt expressed as to whether a plan of this nature would likely be put into effect very quickly." (Page 319, line 20 - Page 320, line 6)

(b) Hockin: Hockin agreed with Hale's evidence with respect to the considerations surrounding the rejection of Plan A. (Page 348, lines 22-26)

(c) Thomson: Thomson merely stated that Plan A had no appeal to The Toronto-Dominion Bank. (Page 375, lines 15-18)

It is not Thomson's evidence that the Bank had decided to purchase a 10% interest in Royal Trustco as of the Sunday evening meeting. The actual purchase was still under consideration and, in fact, remained under consideration through Monday morning and, eventually, a decision was made on Tuesday morning to purchase the 10%. (Page 379, lines 25-30 and Page 382, lines 5-10 and Page 376, lines 15-20)

The description of Thomson's telephone conversation with Love, which appears at page 27 of Commission staff's argument, relies heavily on Exhibit 8. The oral testimony does not support this description. In particular, there is no evidence whatsoever that Thomson and Love discussed their "mutual concern that a financial institution the size of Royal Trustco should preferably remain widely held in public hands". Rather, the conversation dealt with the desirability of developers owning trust companies. (Page 379, line 24 - Page 381, line 24) Furthermore, the evidence does not support the statement that Love indicated that he would take a 10% position in Royal Trustco. Thomson's evidence is that Love gave him an impression of a potential intention of buying some stock (Page 381, lines 25-29) and Love, himself, in his letter of February 16, 1981, to his Counsel correcting his testimony at the hearing, stated only that he did discuss with Thomson "the possibility that Oxford might purchase shares in Royal Trustco." Thomson testified that Love "obviously had a lot of thinking to do before he came to any conclusion and he mentioned that". (Page 382, lines 17-19) Thomson's evidence concerning an alleged commitment by The T-D Bank to finance the Oxford acquisition is that he told Love, when advised that Love had a potential intention of buying some stock, "If you are, don't forget the T-D". Thomson described this comment to Love as putting in a pitch. (Page 381, line 25 - Page 382, line 5)

SEPTEMBER 1, 1980

The only support for Commission staff's statement at page 27 that the meeting on September 1 was held to ascertain whether The Toronto-Dominion Bank purchasing Royal Trustco stock prior to the formation of the proposed syndicate would preclude The T-D Bank from subsequently joining the syndicate is Exhibit 8. There is no oral evidence that this was in fact a purpose of the September 1 meeting with Taylor. The testimony is that the purpose of the meeting was to reflect to Taylor The Toronto-Dominion Bank's decision as to whether or not they would participate in Plan A. (Page 562, lines 16-23) A second purpose of the meeting was to discuss the purchase of shares that was at that time being considered by The Toronto-Dominion Bank. (Page 384, lines 1-19)

Hale's oral testimony concerning the topics discussed at that meeting is:

"The Bank's negative response to Plan A, details of the Campeau bid, which was available to us for the first time that morning....the fact that The T-D Bank was considering purchasing up to 10% of Royal Trust and that Oxford was considering purchasing up to 10% of Royal Trust and that the Bank may be in a position of executing an order on behalf of Mr. Love; and a securities law as it related to the transaction, the bid, the trading, and that I think covers most of the areas we discussed.

Question: Was there a discussion of strategy, in terms of how you were going to buy 10% for The T-D Bank and 10% for Oxford?

Answer: There was a discussion of strategy from the point of view of whether, one, it was possible to buy 10% of the Royal Trust or more, in consideration of what was going on in the market. There was a discussion as to whether McLeod, Young, Weir, acting on behalf of Oxford and The Toronto-Dominion Bank, was in accordance with securities legislation." (Page 324, line 12 - Page 325, line 8)

The oral testimony concerning The T-D Bank's reaction to Plan A expressed to Taylor in the meeting on September 1, 1980, indicates further that there is no support in the testimony given at the hearing for Commission staff's statement at page 26 that the disadvantages of Plan A for Royal Trustco contributed to The T-D's decision not to participate in Plan A. Hockin testified that at the meeting on September 1, "the message that got across, quite clearly, was that we had no interest in Plan A, that we did not want to be tied in with anybody, either in purchasing or any subsequent action that might go on, and if we decided to buy, it would be an independent action." (Page 350, lines 4-15) Thomson testified that the reason The T-D Bank was not interested in Plan A was that "we were not interested in anything where our hands were tied, and we wanted to act on our own, if we were to act." (Page 384, line 22 - Page 385, line 11)

Commission staff rely on Exhibit 8 in support of their statement at page 28 that McLeod and its Counsel suggested that there should be no appearance of two parties "acting in concert" at a subsequent meeting held on September 1, 1980. However, the context in which this statement is found makes it clear that

there was never any action "in concert" and that it was out of an abundance of caution that McLeod and its Counsel suggested that "even in the total absence of any action in concert, there should be no appearance of such action." (Exhibit 8)

Commission staff again relies on Exhibit 8 as authority for the statement at page 28 of their argument that "Love was contacted and it was suggested that the Toronto-Dominion Bank order should be placed first. Love agreed." However, the oral evidence of Hale is to the contrary:

Question: Was there any discussion at that time as to how the buying would be done and who would go first, etc.?

Answer: I think Mr. Bumstead indicated that he felt that the Toronto-Dominion Bank would probably be entering the market the following morning.

Question: Was there any discussion, when you were present, as to whether Mr. Love would, in effect, keep out of the market until you filled your order, or attempted to fill your order?

Answer: No.

(Page 329, lines 9-21)

On page 29 of their argument, Commission staff refer to Thomson's testimony at page 389 concerning his desire that everyone be fully apprised of the total situation and saying that this was the first time that the potential problem of Oxford was available to them. However, the Commission staff neglect to refer to the paragraph in Thomson's testimony which explains the use of the words "potential problem" as "talking in terms of the Monday meeting, from McLeod's point of view". (Page 389, lines 15-19)

ADDITIONAL INFORMATION POSSESSED BY
RESPONDENTS PRIOR TO ISSUANCE OF
DIRECTORS' CIRCULAR ON SEPTEMBER 8, 1980

The comments at page 30 of the Commission staff argument are inaccurate insofar as they suggest that the Respondents knew the identities of the beneficial shareholders. Furthermore, contrary to the statement appearing at page 31 of the Commission staff's argument, there is no evidence whatsoever of any inducements by the Respondents of anyone to purchase shares on the open market and not tender under the bid.

At page 31 of their argument, Commission staff state that White told the Directors at the September 2, 1980 special meeting of the Board of Directors of his discussion with Campeau. The Minutes disclose the extent of White's comments with respect to that discussion and those Minutes state that Campeau disclosed his intention to bid for all of the shares of Royal Trustco and requested the support of White and his assistants on the basis that White could "name his own price". Following that statement by Campeau, White advised Campeau that he would oppose the bid and asked Campeau to leave his property immediately. (Exhibit 19, page 5)

The reference on page 31 to Scholes' comment with respect to work being done through The Bank of Montreal related to preliminary discussions with respect to a possible merger with Bankmont. The evidence is clear that this was not brought to fruition.

The statement that the Respondent had knowledge of what its shareholders were intending to do as allegedly evidenced by the notes appended to the Minutes of the September 2, 1980 meeting, is not supported by the evidence in this matter. There is no evidence with respect to Stelco, Canada Trust, Guardian Insurance, Manufacturers Life, Standard Life and McGill that would indicate whether they in fact sold their shares, tendered their shares or held their shares. Therefore, there is also no evidence to support the statement contained on page 32 of Commission staff's argument that "it was a simple mathematical calculation for the Respondents to know in concrete terms the level of support."

DIRECTORS' CIRCULAR DATED SEPTEMBER 8, 1980

At page 33 of their argument, Commission staff state that White's letter of September 8, 1980 to the shareholders of Royal Trustco failed to refer to "any of the above detailed activities of the Royal Trustco executives". However, it is clear from the evidence, as discussed above, that many of the activities which are detailed prior to this point in the Commission staff argument occurred after September 8, 1980. Similarly, while the Respondents do not acknowledge the accuracy of Commission staff's statement of the facts as indicated herein, it is clear from the evidence that many of the alleged facts with respect to the position of various shareholders that are referred to by Commission staff in their argument, could not have occurred until after September 8, 1980.

OTHER PURCHASES AND CONTACTS

The only evidence with respect to the Midlantic purchase is that on September 10, LaPrairie contacted Taylor to

advise him that he might be receiving a call from Brenton of Midlantic and that Taylor did receive a call on September 11 from Brenton wherein Taylor was advised that Midlantic was considering a purchase. Taylor's evidence is that it was as much as a week later when he heard from Brenton and subsequent to that phone call, an order of 100,000 shares of Royal Trustco was placed on behalf of Midlantic. (Page 585, line 8 - Page 586, line 10)

With reference to the purchase of Royal Trustco shares by Atlantic Capital, characterized by Commission staff as Deutsche Bank, there is no evidence that Royal Trustco had any knowledge of the intention of Deutsche Bank with respect to the purchase of those shares.

TRADING ANALYSIS

While Commission staff states on page 36 that the "inescapable inference" is that the purchase of shares by the major purchasers was motivated by considerations other than price, they ignore the evidence of several witnesses to the effect that if one wants to acquire a large position, a takeover bid is the ideal time to do it. (Thomson: Page 377, lines 15-25, Love: Page 440, lines 1-6, McNeil: Page 188, line 30 - Page 189, line 16) This statement by Commission staff also ignores the fact that the Bank considered the purchase as an arbitrage transaction. (Vol. 2, Page 406, lines 25-30)

These observations also apply to the inference drawn by Commission staff that an unusually high percentage of Royal Trustco shares changed hands during the currency of the bid. In addition to the above-noted facts, Taylor testified that in his experience, the volume of trading which took place during the currency of this bid was by no means unusual in a takeover bid situation. (Page 613, lines 15-26)

With respect to Commission staff's observation on page 38 that the charts provide a graphic illustration of the unprecedented activity in Royal Trustco shares, it is evident once again that that Commission staff has ignored the above-noted evidence concerning normal trading activity in a takeover bid situation.

TIPPING

In their argument presented at page 39 of their Statement of Facts, Commission Staff state that White was aware of the "linkage" between Oxford's approximately 10% shareholding and The Toronto-Dominion Bank's approximate 10% shareholding. It is not at all clear what is meant by the term "linkage". However, there is no evidence that Royal Trustco knew of any interlocking

directorships or other linkages between Oxford and The Toronto-Dominion Bank.

The evidence also indicates that there was no "linkage" in the sense of Oxford's dealings with their 10% shareholding being tied to the dealings of The Toronto-Dominion Bank with their shareholding. In fact, the evidence is to the contrary. Hale's memorandum indicates that The Toronto-Dominion Bank and Oxford were not, in fact, "acting in concert". (Exhibit 8)

Furthermore, Thomson's testimony concerning his conversation with Love about the possible purchase of shares, indicates that The Toronto-Dominion Bank and Oxford were to act independently: "I also warned him, though, that if we were to buy - if we were to buy and then hold, and all our options were our options, and I was...at the end of the conversation I made a fairly strong point of that and, similarly, you know, his decisions were his decisions. Because he may not have wanted to buy, for the same reasons we did, for example or whatever...". (Page 382, lines 9-16)

In addition, the evidence indicates that there was no contact between Love and White or Scholes from the date that Oxford purchased shares until September 23. (Page 438, lines 1-6)

There is no evidence that the figure of 15% or approximately 3.3 million shares which is cited by Commission staff at page 40 of their argument to have been given to The Toronto-Dominion Bank officials by White at the September 17 meeting in connection with the percentage of the outstanding shares of Royal Trustco held in ETA accounts was actually mentioned at that meeting.

At page 40 of their argument, Commission staff failed to mention other evidence given by Hockin concerning the discussion between Royal Trustco and Toronto-Dominion Bank officials about business relationships between the two companies. Immediately preceding the testimony that is mentioned by Commission Staff at page 40, the following evidence was given:

Question: Was there any discussion about business between the Bank and Royal Trust, business development projects?

Answer: Nothing specific. Just general goodwill was expressed. (Page 357, line 19-23)

Similarly, at page 41 of their argument, Commission staff describe a dividend discussion that took place at the

meeting between Royal Trustco and Toronto-Dominion Bank officials on September 17, but fail to mention other parts of the evidence concerning the nature and significance of this discussion. Thus, Hockin's testimony on this point is clear that the expressed hope of possible increases in dividends was tied to the hope of continuing to show an increase in earnings. (Page 358, lines 14-19, Page 365, lines 5-14, Page 366, line 20 - Page 368, line 28)

Hockin testified that White "was not telling us about plans and he was not telling us about anything concrete." When asked whether he was left with the impression that the dividends were going to be increased, Hockin responded "I would say that I would hope that over time they would be, as their earnings increased... but nothing specific, sir, no." (Page 366, line 25 - Page 367, line 11)

Thomson agreed with Hockin's testimony:

"Well, I think that Alan put it well, and he [White] made no forecast. I think it was a reasonable presentation. It was an enthusiastic, emotional presentation and, let's face it, they have got a good record...and he referred to that and he mentioned that he was approaching the end of his career and it was interesting to listen to. But, there were no hard facts, and, of course, he did not have any hard facts to give us." (Page 396, lines 15-24)

There is no evidence to support the statement at page 42 of Commission staff's argument that White met with Mulholland on September 17 at 2:00 p.m. to advise him that Mulholland's proposal concerning a compromise with Campeau was being rejected by Royal Trustco. The evidence referred to by Commission staff in support of this statement indicates merely that a meeting for this purpose had been scheduled for 2:00 p.m. on the 17th of September as of the date of that Board Meeting, September 16, 1980. (Exhibit 19, Page 35)

However, Mulholland's evidence is only that he urged the compromise on White on the 10th of September and that "he was not sympathetic to it". Mulholland testified that he believes he subsequently advised Campeau that the compromise was not available but was unable to pin down when that conversation would have taken place, saying "because I don't think I saw him again after that". (Page 254, line 24 - Page 255, line 2)

Mulholland's evidence, therefore, indicates no subsequent contact with White in which White informed him of Royal Trustco's decision to reject the compromise.

At page 43 of their argument, Commission staff state that White attended a meeting of the Executive Committee at 10:00 a.m. on September 11 after speaking to "inter alia" Galt. There is no evidence that White spoke to anyone other than Galt on September 11, 1980.

As discussed previously on page 21, the evidence concerning Royal Trustco's knowledge of Sun Life's tender intention is that Royal Trustco was not aware from September 3, 1980 that Sun Life would not be tendering, as is stated by Commission staff on page 43 of their argument.

Furthermore, there is no direct evidence that White was aware of the resolution of the Sun Life Board of Directors on September 3 that the Company could go up to 10% or approximately 2,000,000 shares. In fact, the evidence concerning whether Sun Life told Royal Trustco about their Board resolution is to the contrary. (Page 226, lines 12-15)

While it is true that Royal Trustco may have been told by Sun Life that Sun Life had a tentative idea of purchasing 1,000,000 shares, since the evidence is clear that Sun Life did not inform Royal Trustco of their intention with respect to their shares, the statement by Commission staff at page 43 of their argument that "This 1,000,000 shares obviously refers to the Sun Life shares" is inaccurate.

The evidence with reference to Galt's conversation with White on September 17, 1980, referred to at page 44 of Commission staff's argument, is that White indicated no names to Galt. (Page 229, lines 14-18)

Although Commission staff cites McNeil's statement that the call from White "definitely did" influence Sun Life in the decision not to tender, the evidence is not clear that it was "them" that was influenced, rather than McNeil alone:

"Mr. Bray: I understand what you have said about the decision being made and the options were left to the last minute. Obviously you did. Did that influence you in the decision you made not to tender?"

The Witness: It [sic] think it definitely did." (Page 192, lines 18-25)

Furthermore, the Commission staff do not refer to Galt's testimony when he was asked whether White's phone call gave him any comfort in terms of deciding whether to tender or not to tender. In particular, Galt testified:

"So, I suppose the telephone conversation gave us some comfort or some encouragement. But, on the other hand, in connection with that, Mr. White didn't know what we were going to do with our 5%...it wasn't quite that yet...and I thought that if he had the same lack of knowledge about everybody else, then his 55% was very much of a guess."

(Page 229, line 29 - Page 230, line 8)

Significantly, the evidence is that it was Galt who made the decision whether or not to tender. (Page 232, line 30 - Page 233, line 2)

At page 45 of their argument, Commission staff refer to Galt and McNeil's concern following the telephone call with White on September 17 about being in possession of inside information. The statement that Sun Life consulted with their Counsel and after receiving advice stopped trading in the market until after the bid had been extended and increased, must be viewed in light of Galt's testimony concerning his discussion with their Counsel on the morning of September 18:

"It occurred to me--I was in discussion with Mr. Pink the next morning about something else, and one of us--I don't know who--brought it up, and it did occur to me to ask whether this would--it was a matter of opinion and, yet, I wondered whether it might constitute some kind of information, and we decided to resolve the question in favour of stopping trading, just in case there might be some sort of information there, that was also available to others; and we stopped trading for the balance of that period, up until that first bid expired."

(Page 230, lines 9-25)

Contrary to the statement of Commission staff at page 47 of their argument that White "had to have known the names of the purchasers" to which he referred at a Board meeting on September 16, 1980, an analysis of Exhibit 2 reveals that readily available trading information showed that two large blocks of shares traded on September 2 and September 3 through McLeod's and Burns, Fry, respectively. Both of these transactions were close to 10%. However, there is no evidence that anyone told the Respondents the identity of these purchasers or their intentions concerning the bid up to and including the time of this meeting on September 16, 1980.

With respect to the comments of Commission staff on page 47 concerning the telephone conversation between Powis and White on September 17, 1980, it is clear from Powis' evidence that White did not discuss the names of any other purchasers nor did he say anything more than that "he was hopeful that it would fail". (Page 465, line 15 - Page 466, line 7)

Commission staff state at page 47 that "It is clear that Powis thought it was important to know what White thought of the chances of success or failure of the bid since Powis initiated the call to find out." However, there is no evidence that the content of his conversation with White had any influence whatsoever on Noranda's decision not to tender into the bid. In fact, Powis was not asked whether that conversation had any influence on Noranda's decision not to tender.

With reference to Commission staff's description on page 48 of the meeting between Wickens and Cole on September 17, the evidence is that Royal Trustco was never advised of the purchase of shares by the CIBC. (Page 477, line 26 - Page 478, line 1 and Page 493, lines 22-25) Therefore, there is no foundation for the statement by Commission staff that "Wickens thought it was important enough to let Cole know that the bid would likely fail."

Commission staff observe on page 48 that Campeau testified that he and his advisors were baffled by the number of shares tendered under the bid. They also mention Campeau's alleged desire to know if the group that the press was referring to was "going to stand the heat of another \$2.00". This ignores the evidence of Thomson and Mulholland that the original offer was too low. In fact, Thomson indicated that he was expecting Campeau to increase its bid one more time and certainly alluded to the possibility of The Toronto-Dominion Bank tendering if that did happen. (Page 397, line 25 - Page 398, line 1 and Page 401, line 19 to Page 402, line 6)

"DIRECTORS' CIRCULAR" - September 22, 1980

A review of the evidence indicates that the Respondents did not have any control over the holders of the big blocks of shares as alleged at page 49 of Commission staff's argument:

(a) Sun Life: Galt testified that it was not until the 19th of September that Sun Life decided not to tender its shares under the first bid and it was not until October 1 that Sun Life made a tentative decision not to tender under the second bid. (Page 231, line 10, Page 232, line 30) Galt also agreed that it would not be an accurate statement of fact for someone to state

that White or anyone on behalf of Royal Trustco, could and had, locked up or tied up the shares that Sun Life held in Royal Trustco in respect of this bid. (Page 233, line 25 - Page 234, line 6)

(b) Bank of Montreal: Mulholland testified that he did not give White a commitment that the Bank of Montreal would not tender its shares nor did White even ask for such a commitment. (Page 248, line 17-23)

(c) Toronto-Dominion Bank: Hockin testified that the Bank held its shares in as liquid a form as possible until the very last minute and the decision not to tender under the first bid was not made until the very end. (Page 359, line 4-15) Thomson testified that White was not made aware of the fact that The Toronto-Dominion Bank did not tender its shares until White's phone call to Thomson on September 22. During the course of that phone call, White expressed his hope that The Toronto-Dominion Bank would not tender at 23 and Thomson replied, "I said exactly what we said to him when we broke up on the 17th meeting, "We will consider all factors right up until the end". (Page 397, line 8-25) Thomson went on to state that the reason they did not tender under the \$23.00 figure was that the trading activity on that day indicated that the bid would not be successful and that he was hoping for "a third act". (Page 397, line 25 - Page 398, line 1)

(d) Oxford: There is no evidence to suggest that the Respondents had any control over this shareholder.

(e) Olympia & York: Reichmann testified that he purchased his shares on the assumption that Campeau's bid was going to fail and that he had formed that opinion on the basis of comments from investment dealers and further stated that his opinion in that regard was not based on any information provided by White or Scholes. (Page 452, line 5-16)

(f) Canadian Imperial Bank of Commerce: Harrison testified that notwithstanding their very close personal relationship with Royal Trustco, there was a price at which they were prepared to tender their shares. However, it is evident from his testimony that one of his concerns was that the Campeau bid was being financed by a competitor and that if the bid were successful, Campeau would probably direct the banking to The Bank of Nova Scotia. (Page 477, lines 5-15)

Commission staff state at page 49 of their argument that a committee of Directors together with management were authorized by the Royal Trustco Board to make such changes and additions to the letter that was to be sent to shareholders on September 22 as they deemed appropriate. There is no evidence that any such changes or additions were made.

Commission staff state at page 51 that by the date of the September 22 letter, the Directors of Royal Trustco had "taken actions which resulted in over 50% of the shares being held by some twelve investors." The evidence is clear that the 12 major shareholders made their decisions to purchase for their own reasons and were not motivated by any "actions" of the Royal Trustco Directors:

(a) Sun Life: McNeil confirmed that prior to deciding to buy Royal Trustco shares, he had complied with the normal practice involved in running an investment department of analysing the Royal Trustco shares. He had an assessment of the general potential and some idea of the value and price earnings ratio and the price of the stock before he made the initial decision to go ahead with the purchase. (Page 183, line 25 - Page 184, line 5)

When asked whether anything happened to induce Sun Life to go into the market other than the request made to him by a Royal Trustco representative, McNeil gave two other reasons: namely, that the Royal Trust Company is a "mighty fine company" and that Campeau had put a cap on the price of Royal Trustco shares and created an unusual opportunity for large volumes of stock to be available, which opportunity wasn't going to happen again. (Page 188, line 21 - Page 189, line 17)

(b) Bank of Montreal: Mulholland gave two reasons for the Bank of Montreal's purchase of shares: firstly, the Bank's holdings had dropped below the traditional level of just under 10% and, secondly, if the bid were going to be successful, then Mulholland wanted to "make the best possible deal for our shareholders". (Page 276, line 30 - Page 277, line 6)

(c) The Toronto-Dominion Bank: As previously discussed, the Toronto-Dominion Bank did an analysis of the investment suitability of Royal Trustco shares and concluded that it was a good investment for the Bank. When asked whether the fact that Royal Trust wanted the T-D Bank to buy stock and hold it had any bearing on the Bank's decision, Thomson replied, "It certainly didn't". (Page 404, lines 20-25)

(d) Oxford Developments: There is no evidence of any actions having been taken by the Respondents which could have resulted in the purchase of shares by Oxford. Love decided on his own that it might prove beneficial to the development of a mutually satisfactory relationship with Royal Trust over the years to come to purchase shares and he also thought that this was probably the only time one could get a block of shares of that size without causing a great deal of fuss in the market place. (Page 439, line 18 - Page 440, line 6)

(e) Olympia & York: Olympia & York did not decide to purchase shares until after September 22, 1980.

(f) Noranda: Powis testified that Noranda had made a tentative decision to purchase shares on the Friday prior to White's telephone call to him. (Page 463, lines 22-27) Powis also testified that Noranda was not buying on a short term basis and that the takeover bid offered an opportunity to make a substantial investment in Royal Trustco without running up the price of the shares. (Page 465, lines 1-5) When asked specifically what motivated the purchase, Powis replied that two things were involved: "One is we did consider it to be reasonable value and a good investment and the other was an antipathy towards the unfriendly takeover bid, in general, and this one in particular". (Page 463, lines 2-10)

(g) Canadian Imperial Bank of Commerce: Harrison testified that the Bank bought because the bid was being financed by a competitor and the CIBC did not want their business relationship with Royal Trustco to be put in jeopardy by a successful takeover bid. (Page 477, lines 5-25)

(h) Commercial Union: Denman's evidence is that Commercial Union decided to increase its holdings in Royal Trustco because they wished to defeat the takeover bid. The evidence does not indicate any urging or purchases by Otley in his conversation with Denman that "probably" took place prior to Commercial Union's entry into the market. White was not contacted by Denman until after Commercial Union had made its decision to buy. (Page 528, line 9 to Page 531, line 25)

At page 52 of their argument, Commission staff quote only part of White's conversation with Thomson on September 22, thus creating a totally misleading impression. In response to

White's express hope that The T-D Bank would not tender at 23, Thomson stated, "I said exactly what we said to him when we broke up on the 17th meeting, 'We will consider all factors right up until the end'". (Page 397, lines 15-25)

APPROACH TO OLYMPIA & YORK INVESTMENTS LTD.

While a decision was made on the weekend of September 20 to approach Olympia & York with respect to a potential purchase of shares, no approach was, in fact, made before the letter of September 22 was sent to shareholders and there is no evidence that the Respondents had any indication of the reaction which might greet that approach.

With respect to the financing of the proposed competing takeover bid by Canwest, which was discussed at the Executive Committee meeting on September 18, 1980, there is no evidence to support Commission staff's statement at page 56 that "The financing for the competing bid was to be done through the Bank of Montreal." Exhibit 19, page 42, merely indicates that Asper of Canwest had indicated he would arrange financing through Mulholland of the Bank of Montreal. There is no evidence that such financing was, in fact, arranged or even that Mulholland was contacted by Asper on this matter.

There is no evidence to support the statement on page 56 of Commission staff's argument that White rejected the Canwest approach because he knew that the Campeau bid was doomed to failure. In fact, the Minutes of the Board Meeting at which that matter was discussed, disclose that the primary consideration was the position and comments of a Mr. Hampson, the President of Canada Development Corporation. The Executive Committee had previously decided to seek the views of Mr. Hampson as to the future direction of Canwest and the role of Canada Development Corporation. (Exhibit 19, page 42 and 44)

MINUTES OF MEETINGS OF BOARD OF DIRECTORS
AND EXECUTIVE COMMITTEE OF ROYAL TRUSTCO

The statement at page 57 of Commission staff's argument that the Minutes "do not and could not detail all of the information that was presented to the Directors and could not and do not detail all of the information possessed by the Respondents" is a gratuitous statement that adds nothing to the statement of facts relevant to this hearing. There is no evidence about the scope of the coverage of information presented to the Directors and known to the Respondents that is reported in those Minutes.

With reference to paragraph numbered 6 on page 58 of Commission staff's argument, the first indication that the

Respondents had any knowledge of the reaction of the ETA accounts to the bid was on September 11. (Exhibit 19, page 25) Therefore, the statement that they "knew at all relevant times" what percentage of the shares in ETA account would not be tendered is inaccurate.

ONTARIO SECURITIES COMMISSION

IN THE MATTER OF The Securities Act,
1978, S.O. 1978, Chapter 47, and
amendments thereto;

- and -

IN THE MATTER OF Royal Trustco Limited,
Kenneth Alan White and John Merton
Scholes

COMMISSION STAFF REPLY ARGUMENT

COMMISSION STAFF REPLY ARGUMENT

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I. INTRODUCTION

It is not intended in this Reply to repeat in any significant way the submissions made in the Staff's initial Argument. After a careful and detailed review of the Submissions made by the Respondents the Staff does not find it necessary to alter or vary its original Argument and incorporates same by reference in this Reply. The following comments deal, briefly, with some of the submissions made by the Respondents.

II. TESTIMONY OF CAMPEAU

On page 1 of the Appendix under the heading "Meeting of August 27th, 1980 Between Campeau and White" the Respondents submit that "the testimony of Robert Campeau ("Campeau") was demonstrated, in cross-examination, to be unreliable." However, during the cross-examination of Campeau, not one question was asked concerning the conversation between Campeau and White. Campeau's testimony concerning that conversation was clearly and confidently expressed and comprised a significant proportion of his testimony. Prior to their submissions, the Respondents had not made any suggestion that Campeau's credibility on this conversation would in any way be brought into question.

It is submitted that it is not open to counsel, when he fails to cross-examine a witness on a significant portion of his testimony, to suggest in argument that that portion of the testimony is not to be believed. There is abundant support for this proposition in English and Canadian jurisprudence. In Phipson on Evidence, 12th Edition at page 657 the following appears:

"As a rule a party should put to each of his opponent's witnesses in turn so much of his own case as concerns that particular witness, or in which he had a share, e.g. if the witness has deposed to a conversation, the opposing counsel should indicate how much he accepts of such version, or suggest to the witness a different one. If he asks no questions he will in England, though not perhaps in Ireland, generally be taken to accept the witness's account and he will not be allowed to attack it in his closing speech, nor will he be allowed in that speech to put forward explanations where he has failed to cross-examine relevant witnesses on the point." (emphasis added)

Later, at page 658, Phipson says:

"Where it is intended to suggest that the witness is not speaking the truth upon a particular point his attention must first be directed to the fact by cross-examination, so that he may have an opportunity of explanation; and this probably applies to all cases in which it is proposed to impeach the witness' credit. Such questions are rendered by statute a condition precedent to proof of a previous contradictory statement by the witness."

In Rex ex rel. Taylor v. Vanmeer [1950] O.W.N. 539

Judge Anderson stated: (at page 541)

"It seems to me that there is a duty to cross-examine, drawing the attention of the witness to any point upon which it is intended to suggest that he is not speaking the truth, or speaking in an ambiguous fashion, so that the witness may have a chance to make any explanation he wishes to make." (emphasis added)

In a more recent authority, Union Carbide Canada Limited v. Trans-Canadian Feeds Limited, et al., (1965) 32 Fox P.C. 17, at page 28, Jackett, P. of the Exchequer Court said:

"In any event, in my view, I cannot disregard that evidence. It was given quite clearly and confidently, it was not contradicted, and it was not challenged on cross-examination or otherwise before the witness who gave it left the box. With reference to the necessity of giving a witness notice, either by cross-examination or otherwise, that his credit is challenged, at a time when he can give any answer that he may have to such challenge, before suggesting that his evidence is untruthful, I refer to Brown v. Dunn of The Reports, 67 ..."

The failure to cross-examine Campeau on his testimony regarding the conversation with White is further exacerbated by the fact that White chose not to testify. Accordingly, Campeau's evidence of his conversation with White, (detailed in the Staff's Argument on pages 5 - 7) stands unchallenged.

The Respondents suggest that, due to cross-examination on independent issues, the whole of Campeau's testimony is not to be believed. However, it is submitted, that even on these issues, Campeau's evidence was not effectively impugned. As to the issue of whether Campeau

disclosed the number of shares tendered under the initial bid, the Respondents introduced no evidence to show that Campeau's testimony was in error as to whether he was aware of any request by the Commission to reveal the information. With respect to whether Campeau requested the Bank of Montreal to take over half of the financing for the bid, Campeau did agree that he made such a request. The only difference between Mulholland's and Campeau's evidence is at which meeting the request was made. Campeau explained his difficulty in remembering as being due to the large number of meetings between Mulholland and himself during that period of time. By contrast he only met with White once during the course of the bid.

On the issue as to what White told Campeau concerning his opinion of the offering price, there was no evidence called by the Respondents to show that that was not White's opinion. Evidence of the opinions of Mulholland, Taylor and Thomson as to the price has no relevance as to whether White did or did not give his opinion to Campeau. If the Respondents wished to contradict Campeau's testimony in this regard they should have called White. Thus the only evidence before the Commission is that White thought \$21.00 was a good price.

Campeau also agreed in cross-examination that

he had been told by the Bank of Montreal that they were not intending to tender their shares. The only difference between Campeau and Mulholland was that Campeau could not remember precisely at which meeting that statement was made.

While there was some disagreement between Campeau and Mulholland as to who initiated the "compromise" proposal, both parties agreed that there was joint input into the formulation of the proposal. They also agreed as to the essential elements of the proposal. It is interesting to note that the Respondents viewed the compromise as an approach from Mulholland and not from Campeau as on September 11, 1980 the Executive Committee unanimously recommended "that the compromise proposed by the President of the Bank of Montreal not be entertained." (Exhibit 19, pp. 24 and 31)

III. HALE MEMORANDUM

Commencing at page 36 of the Appendix, the Respondents attempt to differentiate between the Hale memorandum (Exhibit 8) and some of the oral testimony of the various witnesses. The Respondents argue that the memorandum was prepared some nine days after the meetings in question and therefore might not be totally precise. The Respondents then seem to go on to argue that the imprecise oral testimony of witnesses some four and a half

months after the event is more reliable than a memorandum made from notes contemporaneous with the event. As Mr. Justice Lumpkin stated "I would sooner trust the smallest slip of paper for truth, than the strongest and most retentive memory ever bestowed on mortal man". (Miller v. Cotton, (1848) 5 Ga. 341 at 349). The Hale memorandum was made at a time when there was no thought of any type of regulatory hearing. It is also significant that the Respondents at no time during the Hearing questioned the accuracy of the memorandum. In fact, no questions whatsoever were asked by the Respondents of Hale. (Volume 2, p. 332)

In support of the alleged inaccuracy of the memorandum is the statement at the top of page 37 of the Appendix that "it is not Thomson's evidence that the Bank had decided to purchase a 10% interest in Royal Trustco as of the Sunday evening meeting. The actual purchase was still under consideration and, in fact, remained under consideration through Monday morning and, eventually, a decision was made on Tuesday morning to purchase the 10%". The memorandum does not state that a decision had been made to buy 10% on the Sunday evening but that the 10% figure was an alternative proposed by Thomson to the Plan A suggestion of Taylor.

The evidence of Taylor is also clear that he

received the order from Hockin of the Toronto-Dominion Bank to purchase for the Bank up to 10% of Royal Trustco shares on the evening of Monday, September 1st, 1980. (Volume 4, p. 566) It would thus appear that Thomson's recollection is inaccurate as to when the Bank made the decision to purchase the 10% as in fact the order was given on Monday and the shares were purchased on the opening of the market on Tuesday. In short, the Hale Memorandum stands unchallenged as an accurate chronicle of the events involving the personnel of the Toronto-Dominion Bank from Friday, August 29, 1980 through to and including Monday, September 1, 1980.

IV. "NO EVIDENCE"

On several occasions in their Argument, the Respondents assert that there is "no evidence" for various factual statements made by the Staff in its Argument. A review of the Staff Argument will show that reference to the transcripts and exhibits was always provided after any factual assertion and, it is submitted, a review of the references will substantiate any and all assertions made. Some of the "no evidence" references made by the Respondents are reviewed below:

1. Toronto-Dominion Bank

At page 34 of its Appendix the Respondents state that "there is no evidence that Wickens revealed the extent of the ownership of Royal Trustco shares by the Bank of Montreal in his meeting with Mercier on August 29th." The reference in the Staff Argument is to Volume 2, pages 304 and 305 where the following evidence was given by Mercier of the Toronto-Dominion Bank:

Q. Did you have any discussions with him (i.e. Wickens) as to the ownership of Royal Trust stock, in general terms?

A. In very general terms, mentioning the Bank of Montreal ownership position."

That is precisely what the Staff said in its Argument at page 25.

2. Cemp, Central and Eastern and Canwest

At page 17 of the Appendix, the Respondents state: "Reference is made by Commission staff at page 14 to approaches to Cemp, Central and Eastern and Canwest concerning the possibility of their becoming white knights. There is no such evidence." At page 14 of its Argument, the Staff referred to the meetings between Taylor and officials of Cemp and Central and Eastern and gave as a reference Volume 4, pages 574 to 576 where Austin Taylor gave the following evidence:

"A. We met with Messrs. Jim Raymond, and Ludwick of Cemp Investments and Mr. Ellen and Mr. Cohen of Central and Eastern Trust, to discuss the possibility of their becoming, in effect, a White Knight approach to the Royal Trust situation.

Q. Did anything come of that, sir, in terms of a White Knight?

A. No. It was a very lengthy meeting, that ran for about three or four hours, as I recall late in the evening, and the short answer to your question is no, nothing ever came of that."

This is exactly what the Staff said at page 14 of its Argument.

Austin Taylor's evidence relating to the White Knight approach to Canwest is found at Volume 4, pages 579

580.

3. Bank of Montreal

At page 10 of the Appendix to the Respondent's Argument, there is a reference to "numerous meetings with Royal Trustco officials with respect to these defence tactics." The Respondents then state that the Staff does "not refer to any evidence in support of this statement." A review of the Staff's Argument at page 9 shows that reference was made to the testimony of Austin Taylor at Volume 4, pages 545 to 546 where there was a discussion (starting at page 544) of the various defence tactics. Taylor said that "merger was one subject of discussion and the issuance of treasury shares was another subject of discussion." (Volume 4 page 544) The evidence of Taylor at pages 545 and 546 is as follows:

shares of Royal Trustco, certainly before September 8th, 1980." This is an interesting submission in view of the voluminous evidence at the Hearing of the numerous contacts made by various Royal Trustco officials with various "friends". The contacts are discussed in the Staff Argument under the heading of "The "Friends" Approach" from pages 15 to 29 and "Other Purchases and Contacts" on page 35. The following delineates only briefly some of these contacts, in addition to the approaches made to Sun Life and the Canadian Imperial Bank of Commerce:

1. Toronto-Dominion Bank - On August 29th, Wickens met with Mercier and, inter alia, asked "whether the Bank had considered buying stock" in Royal Trustco (Volume 2, p. 304)
2. Bank of Montreal - On August 27th, 1980, White asked Mulholland if the Bank of Montreal would buy any more Royal Trustco stock. When Mulholland advised that the Bank already owned the maximum permissible under the Bank Act, White suggested that this limit could be exceeded for a limited period of time. (Volume 2, p. 257)
3. Noranda - On September 7th, White telephoned Powis and "enquired as to whether we had any interest in purchasing Royal Trustco shares." (Volume 3, p. 485)

- "A. There was a general discussion of the concept of mergering, there was a brief discussion on the type of candidate which might be a suitable merger candidate, but they were very brief. It was my opinion at the time, that there was neither the time nor an obvious candidate that would facilitate defence through a merger.
- Q. To your knowledge, sir, did the discussions of merger proceed any further? Are you aware as to whether anyone was approached with respect to the potential merger?
- A. Yes. I subsequently became aware that there were conversations, outside of my knowledge at the time.
- Q. Did you ever become part of those conversations or do you have any personal knowledge as to what those conversations were?
- A. I was never a part of those conversations, if by "part" did I have contact with the company that they were discussing that matter with, the answer is no.
- Q. Do you of your own knowledge know the company that was either approached or it was discussed with?
- A. I have been informed subsequently. I was subsequently informed.
- Q. What is your information, sir?
- A. My information is that there were discussions with the Bank of Montreal, as to the purchase of Bankmont, the Bank of Montreal subsidiary, by the Royal Trust, for the issuance of the preferred shares.
- Q. Do you know, sir, when in the time frame, those discussions took place?
- A. Not precisely, Mr. Lockwood. I would say they spanned the latter days of August and the first few days of September."

4. Encouragement to Third Party Purchasers

On pages 50 and 51 of their Argument, the Respondents make reference to contact by officials of Royal Trustco with Sun Life and the Canadian Imperial Bank of Commerce. They then state that there is "no evidence that Royal Trustco "encouraged" any other persons or corporations to purchase

4. Deutsche Bank (Atlantic Capital Corporation)

Harry Trenhome of Royal Trust contacted Deutsche Bank with respect to the Campeau bid prior to its purchase of shares (Exhibit 5).

5. Commercial Union - Otley contacted Denman

prior to Commercial Union's purchase of Royal Trustco shares which purchases commenced on September 2nd, 1980.

6. Midlantic National Bank - Austin Taylor

testified that he received a telephone call from LaPrairie, Vice-President and Chief Financial Officer of Royal Trustco, who indicated that Austin Taylor might hear from a Mr. Jarvis Brenton of Midlantic. Taylor did receive such a call and Midlantic purchased in excess of a common share equivalent of 150,000 shares (Volume 4, pp. 584 to 586)

7. Oxford Development Group Limited - there was

substantial evidence about the contact by Thomson with Love subsequent to Thomson's meeting with Taylor on the evening of August 31st. There was also considerable evidence with respect to the meeting on September 1st relating to the joint purchasing of shares by McLeod, the financial advisor to the Respondents.

In short, there is a plethora of evidence of approaches by the Respondents to "friends" in order to encourage them to purchase and hold shares of Royal Trustco.

V - RESPONDENTS' ALLEGED LACK OF KNOWLEDGE

In their Argument, the Respondents attempt to minimize the knowledge which they had of the purchases made by, and the tendering intentions of, their friends. This argument, of necessity, ignores the multiplicity of actions taken and the knowledge possessed by the senior officers of Royal Trustco (e.g. Wickens, Otley, LaPrairie and Trenhome) and by their financial advisor, Austin Taylor of McLeod Young Weir. The actions and knowledge of these persons were the actions and knowledge of the Respondent, Royal Trustco, and should be imputed to White and Scholes as well. The following is an analysis of this alleged lack of knowledge regarding various purchasers.

1. TORONTO-DOMINION BANK

At page 13 of their argument, the Respondents state, inter alia, that "neither White nor Scholes: (a) encouraged the Toronto-Dominion Bank to purchase shares in Royal Trustco; ...". They would appear to be submitting that they were not aware, inter alia, of the following: (detailed on pages 24-29 of the Staff Argument).

1. On August 28th Wickens phones Boyle, President of the Bank, to discuss the bid;
2. Wickens then calls Mercier to discuss the bid and to set up a meeting with Bank officials;
3. On August 29th, Wickens comes to the Bank offices and meets

- with Mercier and Simmons and, inter alia, asks if the Bank would consider buying stock;
4. After daily meetings at which White and Scholes are present, and at which Plan A and other defence strategies are devised, Taylor meets with Thomson and other Bank officials on August 31, 1980 and September 1, 1980 at which time Thomson proposes buying a 10% interest, and also discusses the purchase of a 10% interest by Oxford;
5. On the evening of September 1, 1980, an order is given by the T.D. to buy 10% of the shares of Royal Trustco with the majority of these shares being purchased on September 2, 1980. McLeod declines to act for Oxford, which then purchases its 10% through Burns Fry, mainly on September 3.

To give credence to the submissions of the Respondents, one would have to assume that White and Scholes were totally ignorant of all of the above even though they were present at the meetings at which the Plan A was discussed and at which the approach to the Toronto-Dominion Bank with respect to, at a minimum, Plan A was discussed. It would also assume that at the subsequent meetings at which White and Scholes were present, they neither asked nor received any information as to what happened at the various meetings held with the Toronto-

to suggest, there is no logical way that White would have known of the purchases by the various institutions.

At page 52 of the Respondents' Appendix, they state that an analysis of Exhibit 2 reveals that two large blocks of shares were traded on September 2nd and 3rd through McLeod and Burns Fry respectively. Exhibit 2 contains no information as to the trading of blocks. The only thing that Exhibit 2 does reveal is the total number of shares purchased on any particular day through the facilities of any particular broker. Thus if the Respondents had only the information contained in Exhibit 2, they would have had no way of knowing that in fact blocks had been purchased nor of knowing the identity of the purchasers. Further, even if a particular broker did show that it had traded a block of shares or had crossed a block on any particular day on any particular exchange, that does not of itself mean that that cross occurred for only one client. This, therefore, leads again to the inescapable inference, as stated at page 47 of the Staff Argument, that "White had to have known the names of the purchasers in order to be able to at least identify them generically. That he in fact knew the names of the purchasers is confirmed by his revelations to the Toronto-Dominion Bank."

2. BANK OF MONTREAL

In their dissertation of the facts relating to the Bank of Montreal, the Respondents engage in factual nitpicking. The Respondents seem to agree that on August 27th, 1980 Mulholland advised both White and Campeau that the Bank was

Dominion Bank. This would show a remarkable lack of interest on the part of Chief Executive Officers of the offeree company and would be totally inconsistent with their demonstrated interest in what was occurring in the market place and who was buying shares. It would also be totally inconsistent with the systematic approach which they used to attempt to induce institutions to purchase shares.

The Minutes of the Board of Directors of Royal Trustco on September 2nd also show White announcing to the meeting that 1.9 million shares had been traded that day of which 86% or approximately 1.6 million had been purchased through McLeod Young Weir and Dominion Securities. As Exhibit 2 shows, the Toronto-Dominion Bank purchased on September 2nd 1.5 million shares through McLeod Young Weir and thus the shares that White was referring to were the T-D shares.

For the Respondents' argument to be consistent, it would have meant that in the daily meetings that White and Scholes were having with Taylor, neither asked who had purchased the large volume of shares.

The Respondents' argument also does not address itself to the fact that on September 16th White is announcing to the Board of Directors that as a result of purchases made since the announcement of the Campeau offer, three major institutions (i.e. Bank of Montreal, Toronto-Dominion Bank and Oxford) owned slightly less than 10% each. If White and Scholes were taking the disinterested approach which the Respondents argument seems

not then minded to tender its shares into the bid. The Respondents seem to say that that was only an indication of the Bank's position at an instant of time, and had no relation to the Bank's position throughout the remainder of September prior to the expiry of the first bid. They quote part of the transcript on page 12 of their Argument in which Mulholland was asked whether he ever gave a commitment or a general indication that he would not tender and he answered "I am sure Mr. White is experienced enough to not even ask and he didn't." (Volume 2, p. 248, lines 16 to 22)

What Mulholland was saying in that passage, it is submitted, is that White did not have to ask the position of the Bank as he knew what it was. White, an experienced businessman, knew that when its lead banker, holding 10% of its stock, stated that it was not minded to tender under the bid he did not have to repeatedly question the intentions of the Bank. As indicated in the Staff's Argument, (pages 7 - 10) the Bank throughout was, to the knowledge of the Respondents, actively engaged in assisting Royal Trustco in defeating the Campeau take-over bid. The Bank had declared on August 27th, the day that the bid became public, on which side it stood and the best that the Bank would do was to attempt to effect a compromise between the parties to "stop the war".

White's conversation with Mulholland in which he asked him to exceed the 10% Bank Act limit is also revealing as Mulholland was indicating clearly that the Bank was at the 10% limit, would stay at the 10% limit and that it was on the side

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of Royal Trustco. Also, when Mulholland discovered that the Bank only had slightly over 6% of the stock as opposed to the traditional 10%, he immediately made arrangements to spend in excess of \$10 million to bring the Bank's position up to its traditional levels. These purchases commenced the day after Mulholland had told both Campeau and White that he would not be tendering under the bid. The purchases were then obviously to assist Royal Trustco by removing additional shares from the market.

3. SUN LIFE

The facts with respect to Sun Life are set out on pages 17 to 20 of the Staff's Argument. The discussion of these facts by the Respondents starting at page 7 of their Argument conveniently forgets:

1. The phone call made by Wickens to McNeil on August 27th, 1980 at which time Wickens asked "'would Sun Life be either sympathetic or receptive ...", and I took it to mean an approach from Royal Trustco and I said, "sure". (Volume 1, p. 164);
2. the phone call made by Scholes to McCarthy, on August 28th. (Volume 1, p. 165);
3. the second phone call made by Wickens to McNeil on September 2nd shortly after the market opened where Wickens told McNeil that he knew that Scholes had visited with Sun Life on Friday and was asking whether Sun Life had made up its mind about purchasing shares;

4. the fact of four interlocking directors and how a director of Royal Trustco was the Chairman of the Executive Committee of Sun Life.

When Scholes met with Sun Life on August 29th, he asked how much stock Sun Life held and Sun Life gave him the precise figures. The transcript also clearly shows that Scholes asked Sun Life not to tender and "the Chairman uttered words of comfort to him on that point". (Volume 1, p. 166) Thus the statement at page 8 of the Respondents' Argument that "at no time between August 29th, 1980 and September 19th, 1980 did Sun Life advise the Respondents that Sun Life would not be tendering its shares in Royal Trustco into the bid" is incorrect.

The Respondents are also incorrect when they state that Sun Life did not tender because it had made a determination that the Campeau offering price was too low. It is clear throughout that Sun Life was a friend of Royal Trustco, had a large business relationship with Royal Trustco, had interlocking directors and was most receptive to the approach of Royal Trustco. The purpose of the purchase of shares in an amount in excess of \$10 million by Sun Life was to help Royal Trustco. This is further evidenced by the statement made by White to the Board of Directors, on September 2, 1980 (Exhibit 19, page 14) summarizing Sun Life's position: "What can they do to help - would buy more stock - \$10 million".

At page 50 of the Appendix to their Argument the factual nitpicking of the Respondents results in an obvious absurdity. At the bottom of page 50 the Respondents indicate that when McNeil testified that the call from White "definitely did" influence Sun Life in its decision not to tender that the influence could have been on McNeil alone and not on Sun Life. At page 192 of Volume 1, the full question and answer is as follows:

"Mr. Bray: I gather from your evidence that there was some assurance given by Mr. White that ... you now understand the conversation was initiated by Mr. White ... that you would not find yourself in a minority position at end of the trading day, if you did not tender your stock?

The Witness: That's correct.

Mr. Bray: I understand what you have said about the decision being made and the options were left to the last minute. Obviously you did.

Did that influence you in the decision you made not to tender?

The Witness: It (sic) think it definitely did."

Any reasonable person reviewing the testimony of Mr. McNeil is led to the inescapable conclusion that the influence in question was on Sun Life as a corporate entity and not on McNeil personally.

4. COMMERCIAL UNION

At page 12 of their Argument the Respondents state that between August 27th and September 2nd, Otley was advised by Denman of Commercial Union that Commercial Union would not

tender "its then existing shareholdings" in Royal Trustco into the bid. That is not what Denman said to Otley. At Volume 4, page 529 and 530, the following evidence was elicited from Denman:

"Q. Was there any conversation, sir, that you could recollect as to whether Commercial Union would be tendering under the bid?

A. After my comments, which were quite strong, as I recall, at the time ... Roger said something "Well, I guess after that, I need not ask whether or not you will be handing your shares in?" and I said in effect, no I wouldn't."

The Respondents, on page 13, then state that Denman gave White no assurance that Commercial Union would not tender the further shares into the bid. The evidence (Volume 4, pp. 530 to 532) is clear that Denman contacted White on September 2nd and told White that Commercial Union planned on at least doubling its present holdings as it looked as though it was going to be a tough fight and that if Commercial Union purchased 1% of Royal Trustco, it might be sufficient to help them defeat Campeau. If this is not a clear indication that Commercial Union did not intend to tender under the bid, one wonders what could be. Here is an officer of Commercial Union speaking to the Chairman of the Board and the Chairman of the Investment Committee of his company and indicating that the company had decided to purchase 1% to help White's other company (i.e. Royal Trustco) defeat the bid. No reasonable person could have any doubts whatsoever as to the posture that Commercial Union was going to take with respect to tendering its shares.

5. THE MINUTES

At page 15 of its Argument, in discussing the facts known to the Respondents prior to the mailing of the Directors' Circular on September 8th the Respondents state that "accordingly the only statement bordering on a commitment was that of Commercial Union with respect to .492% of the shares (increasing to 1.05% by the date of the Directors' Circular)." The absurdity of this conclusion can be ascertained from a review of the Minutes of the Executive Committee only three days later, on September 11th, where the following passage occurs under the heading of the "Campeau Corporation Offer": (Exhibit 19, p. 25)

"The Chairman reported on the position of shareholders who had indicated that they would not tender their shares.

The present indications are that a minimum of 41% is absolutely firm and at least an additional one million shares are also firm. Accordingly, the Chairman expressed confidence that Campeau would be denied control.

Mr. Otley informed the meeting that a canvass of clients was being undertaken and results were most encouraging. Only about one-third of the clients had been canvassed to date, and of these, 65% had decided to retain their holdings."

VI. DISCLOSURE OF "MATERIAL FACTS"

- In their Argument, the Respondents discussed the subject of disclosure of "material facts", both in the context of the Directors' Circular and of "tipping". At pages 35 and 36 of the Respondents' Argument, reference is made to dictionary definitions of a "fact", as well as to several U.S. cases which are stated to be of assistance in determining "when something becomes a fact sufficient to require disclosure of it." In our submission, the Respondents analysis with respect to disclosure of a material fact improperly combines three separate issues, that is:

1. Whether something is a "fact";
2. Whether it is "material";
3. Whether it is "ripe" enough to require its disclosure.

In our submission, the passages from various U.S. cases set out at pages 35 to 36 of the Respondents' Argument are not of assistance in determining whether something is a "fact" or a "material" fact. These three cases deal primarily with the third of the three issues referred to, that is, whether material information is "ripe" enough to require its disclosure.

1. When Something is a "Fact"

The Respondents emphasize the definition of a

"fact" as something that has "really occurred" (page 36), and state that the definition of a "material fact" is therefore "in no way prospective" (page 50). However, the U.S. cases which discuss the threshold issue of whether something is a "fact" make it clear that a "fact" includes a present event having future consequences or significance. For example, in the case of Marx v. Computer Sciences Corp., 507 F. 2d 485 (9th Cir., 1974), (cited at page 85 of the Staff Argument) the Court stated that:

"A forecast, essentially a prediction, may be regarded as a "fact" within the meaning of Rule 10b-5" (at p. 489).

In that case, even though the "forecast" was no more than a "prediction" of future events, the forecast itself was a "fact" capable of being a "material fact". In the instant case it is clear that all of the matters which should have been disclosed in the Directors' Circular (as outlined on pages 80 and 81 of the Staff Argument) were "facts", whether they related to events which had already occurred, (such as the approaches to other institutions) or to the present intention of certain parties with respect to future events (for example, the purchasing and tendering of Royal Trustco shares). This observation applies equally to the information which was "tipped" to the Toronto-Dominion Bank.

The Marx case (at page 489) also makes clear the distinction between determining whether something is a "fact" and whether a "fact" is "material". After finding that the forecast in question was a "fact", the Court went on to find that it was a "material" fact, applying the test of whether "a reasonable man would attach importance (to the fact) in determining his choice of action in the transaction in question."

2. MATERIALITY VS. RIPENESS

In Mitchell v. Texas Gulf Sulphur Company, C.C.H. 1971, ¶ 93,019 (10 Cir.), (cited by the Respondents at page 35 of their Argument) the Court makes the further distinction between the issues of "materiality" and "ripeness". The Respondents quote the following passage from this case (at page 90,759):

"Simply stated, when the material information is available and ripe for publication, the difficulties inherent in formulating a release cannot overbear the accuracy of the statements contained therein."

At that point in its reasons, the Court was not discussing materiality but whether further disclosure of certain information should have been made. It had already decided (at page 90,758) that the facts in question were material.

At page 36 of their Argument, the Respondents make reference to the following passage from Financial Industrial Fund Inc. v. McDonnell Douglas, CCH 1973 ¶93,737 (10 Cir., 1973), at page 93,374:

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"On another point, we held in Mitchell v. Texas Gulf Sulphur Co., 446 F. 2d 90 (10 Cir.), that the information about which the issues revolve must be "available and ripe for publication" before there commences a duty to disclose. To be ripe under this requirement, the contents must be verified sufficiently to permit the officers and directors to have full confidence in their accuracy."

In the Financial Industrial Fund case, certain financial information had been released to the public by the company in question, and the issue was whether such information should have been generally disclosed earlier. Therefore, no issue arose as to whether or not the information in question constituted a "material fact". The materiality of the information was assumed. It was only in the context of "ripeness" for disclosure that the "sufficiency of verification" became an issue. In that case, the Court decided that the information was not sufficiently "ripe" to require disclosure at the time in question.

Similarly, in James v. Gerber Products Company, CCH 1978 ¶96,607 (6 Cir. 1978), the Court found that disclosure of certain interim earnings figures was not required. In so finding, the Court apparently relied on the passage referred to previously in the Financial Industrial Fund case in making the following statement:

"Such sales figures, projections, forecasts and the like only rise to the level of materiality when they can be calculated with substantial certainty."

In the above statement, the Court does not highlight the distinction which was made in previous cases between the issues of "materiality" and "ripeness". In our submission, the "substantial certainty" test would apply, if at all, only to the "ripeness" issue, not to the "materiality" issue.

In contrast to the James case, reference may be made to this Commission's decision in Harold P. Connor et al (The National Sea case) 1976 O.S.C.B. 149. That case clearly distinguished between the issues of "materiality" and "ripeness".

In the National Sea case, the company announced third quarter financial results showing a significant reversal in the earnings trend of the corporation. Just prior to this announcement, several insiders of the corporation sold shares of the corporation. A hearing was held under the predecessor of Section 124 of the Act to determine whether the company had breached Uniform Policy No. 2-12 (which required prompt public disclosure of a material change), and to determine whether the insiders had been trading with knowledge of undisclosed material facts. At page 167 of the decision, the Commission found that the information in question clearly was material, stating as follows:

"There is also little question that this information "if generally known, might reasonably be expected to affect materially the value of such securities"."

Later in the decision (at page 179), the Commission went on to consider whether such information should have been disclosed at the time in question. At page 179 of the decision, the Commission decided that the information was "ripe" for disclosure, making reference to the Financial Fund case in reaching this conclusion.

The National Sea decision illustrates the application in the Canadian context of the U.S. decisions relating to disclosure of material facts. As noted above, the Commission made reference to the Financial Fund case when deciding as to the timing of disclosure. However, the principal factor considered by the Commission in reaching this decision was whether or not a "material change" had occurred within the meaning of Uniform Policy No. 2-12. Since "material change" was not exhaustively defined in the Policy, reference to U.S. case law on "ripeness" for disclosure was appropriate. Under the current Act, the requirement to disclose forthwith a "material change" is statutory, (Section 74) with the term "material change" being defined in the Act (Section 1(1)21). Therefore, in contrast to the U.S. position, it is no longer necessary to rely upon judicial tests in order to determine when material information should be generally disclosed to shareholders.

In the context of a take-over bid, the release

of material information by the target company is once again dealt with by way of a statutory provision. Therefore, in the context of the Ontario Act, the tests in the U.S. cases for "ripeness" (including the "substantial certainty" test referred to by the Respondents) are now of limited relevance. In the context of the "tipping" allegations, "ripeness" for disclosure has no relevance whatever. The information has already been disclosed. The only issue is whether or not it is material.

3. TEST FOR "MATERIALITY"

(a) General

As indicated in the Commission Staff Argument, page 84, the test for materiality developed in the U.S. cases is reflected in the definition of "material fact" in Section 1(1)22 of the Act as a "fact that significantly affects, or would reasonably be expected to have a significant effect on the market price or value" of securities. The U.S. cases upon which this definition was based make it clear that probability (rather than certainty or substantial certainty) is the relevant consideration in determining whether something is material. The Texas Gulf Sulphur case, at page 849, stated that in determining whether facts are material, "the indicated probability that the event will occur" must be weighed against "the anticipated magnitude

of the event in light of the totality of the company activity." Similarly, in SEC v. Mize, CCH 1980, ¶97,362 (5 Cir., 1980), at p. 97,429, the Court stated as follows with respect to an alleged failure to disclose certain material information in a prospectus:

"It is true, as the Defendants point out, that other steps had to be taken before the Mize proposal could be finalized in an "agreement". However, a proposal need not be final or consummated in order to be relevant to shareholder decision making. Where the occurrence of a proposed course of action has reached a stage of probability rather than mere possibility, the negotiations concerning the proposed action must be disclosed even though the future event is not absolutely certain to occur."

(b) "Binding commitments" re tendering

In their Argument, the Respondents note the lack of "binding commitments" by various Royal Trustco shareholders with respect to the non-tendering of shares to the bid, in the context of both disclosure in the Directors' Circular ¶.631 and tipping (pp. 74-78).

In our submission, from the point of view of determining materiality, the above authorities make it clear that the issue is not whether various shareholders were bound to tender, but rather whether it was probable they would tender, and the Respondents' knowledge of their probable intention

in this regard. Contrary to the repeated assertions in their Argument that there was "no evidence" that the Respondents had any knowledge of the intentions of various parties re tendering the Respondents, as indicated previously, did receive some direct assurances on this subject. However, in our submission, direct assurances were not the only relevant consideration; the business relationships between Royal Trustco and various shareholders were also relevant to the question of whether they were likely to tender. For example, quoting the evidence of Mulholland (Volume 2, p. 279), when asked whether he gave Campeau any indication on August 26th as to whether the Bank of Montreal would tender its shares, he answered as follows:

"It was a very easy answer. The case for saying no is almost overwhelming for any investor in our position."

In our submission, it is evident that given the business relationships between the Bank of Montreal and Royal Trustco, the case against the Bank of Montreal tendering to the bid was "almost overwhelming." The Respondents were therefore surely aware of the Bank's probable intention re tendering, and given the relationships between Royal Trustco and the other substantial shareholders (referred to in the Commission Staff Argument), a similar conclusion

is warranted as to their probable intentions as well.

In this context, the case of Podesta v. Calumet Industries, Inc., CCH 1978 ¶96,433 (U.S.D.C., Ill. N.D.E.D., 1978) is relevant. There it was alleged that management, in order to defeat a take-over bid, inter alia, caused warrants to be exercised in friendly hands. The following passage (at p.93,552) relates to a meeting between Mr. Fair of the target corporation and Mr. Brass of Mutual Petroleum, a company which subsequently purchased and exercised warrants of the target corporation:

"Fair travelled to New York to meet with Brass on February 21, 1978. This was the first time Brass had ever heard of the warrants. During that single meeting, Fair and Brass arranged for the purchase and immediate exercise of the warrants by Mutual. This agreement was oral, and there is no indication that Brass discussed the matter with anyone other than Fair prior to entering into the agreement. Although there were no other witnesses to this meeting, Brass testified that Fair clearly informed him of the contest for control, and it would be unrealistic to think that Fair and Brass did not reach at least a tacit understanding that the Mutual shares would be voted for management."

In that case, the Court decided that the true purpose of the warrant transactions was to cause the defeat of the bid and that there had been inadequate disclosure with respect to these transactions in the proxy solicitation material prepared by the company. In support of this conclusion, the Court relied on the "implicit understanding" between Mutual and the target corporation as a sufficient indication of Mutual's intentions (at p. 93,559).

The above analysis supports the conclusion that information in Royal Trustco's possession re tendering constituted "material facts" and that the "tipping" of same to the Toronto-Dominion Bank therefore breached Section 75(1)(b) of the Act. With respect to disclosure of such information in the Directors' Circular it is also clear that the information known to the Respondents at the relevant time "would reasonably be expected to affect the decision of the security holders of the offeree company to accept or reject the offer" (per Form 32, Item 12). Consequently, its disclosure in the Directors's Circular was required.

VII. DIRECTORS' CIRCULAR - SEPTEMBER 8

1. Purchase by Royal Trust Pension Fund

In the Staff Argument, page 80, it is submitted that the September 8th Directors' Circular should have disclosed the purchase by the Royal Trust Pension Fund of 352,110 common shares and 33,600 preferred shares of Royal Trustco on August 28 and 29, and the subsequent sale thereof to Sun Life. In their statement of "The Facts with respect to the Pension Fund Matter" (p. 16 of the Respondents' Submissions), the Respondents state that "orders were placed" for the shares in question on August 28 and 29, but between August 29 and September 2, "it was determined that those orders should not be completed" on behalf of the Pension Fund; therefore, the orders "were instead taken over by Sun Life" and completed for its account.

The above statement of the "facts" does not accord with the evidence at the Hearing. It is clear that the orders in question were not only "placed" by McLeod Young Weir on behalf of the Pension Fund on August 28 and 29, but were also filled on those days. This fact is evident both from Exhibit 2, page 5 and from the evidence of Austin Taylor (Volume 4, p. 582-583), who stated as follows:

"A. I believe on August 28th and 29th, the Thursday and Friday, after the announcement of the bid, McLeod executed purchase orders from the Royal Trustco for 400,000 shares as I recall.

Q. Were confirmations for the purchase of these shares sent to Royal Trust, to the best of your knowledge?

A. Yes, they were.

Q. To the best of your knowledge, were those shares paid for by Royal Trust?

A. Yes."

As well, McNeil testified (Volume 1, pp. 171 to 172) that Wickens called him on September 2 and stated that Royal Trustco in the previous week had "bought shares" for the account of "a pension fund of Royal Trustco", but decided not to "take delivery" of the shares and wished Sun Life to "acquire" these shares. Sun Life agreed to do so later that day.

Therefore, it is clear that as of August 29, 1980, the Royal Trust Pension Fund was the beneficial owner of 352,110 common shares and 33,600 preferred shares of Royal Trustco, and were liable for the purchase price thereof in the amount of some \$8 million.

On September 2, these shares were sold to Sun Life at cost by way of private transaction. Given the Respondents' precise knowledge as to the number of shares involved, as well the fact that the shares had been directed into the hands of a friend (rather than resold on the market), there can be no doubt as to the Respondents' duty to disclose the relevant facts in the Directors' Circular.

2. Certificate - Item 18, Form 32

In their Argument (p. 34), the Respondents state

that Item 18 of Form 32 does not constitute "a separate head of information that must be provided in a Directors' Circular." However, it was submitted at page 80 of the Staff Argument that further disclosure (as detailed therein) was required by Item 12 of Form 32. The reference on page 81 to the wording of the certificate was meant to highlight the contention that the information that was given in the Directors' Circular with respect to purchases by various parties was misleading, and that therefore, White improperly certified that the circular "does not omit a material fact ... that is necessary to make a statement not misleading in light of the circumstances in which it was made."

VIII. DIRECTORS' CIRCULAR - SEPTEMBER 22

1. Defining the Issue

At page 2 of their Argument, the Respondents state that one of the issues in the proceeding is "whether there is any obligation to issue a second Directors' Circular after a take-over bid has been extended in time and the offer price increased." In our submission, the issue is not so narrowly defined. It is not a question of whether there was an obligation to forward a document to the shareholders but whether, once the Respondents decided to communicate with the shareholders in this fashion, they had to comply with the requirements of Form 32. It is submitted that such compliance was required on the basis that the communication constituted either a Directors' Circular or an amendment to the September 8th Directors' Circular.

2. Section 170 of the Regulation

In support of the contention that the September 22 letter may be considered as an amendment to a Directors' Circular, reference is made in the Staff Argument to Section 170 of the Regulation, which requires the filing with the Commission of a copy of the Directors' Circular "and any amendments or variations of the circular."

At page 40 of their Argument, the Respondents refer to this as a "red herring" since Section 170 "has no statutory

antecedent and accordingly has no statutory foundation."

Reference to Section 139 of the Act makes it clear that the enacting of Section 170 of the Regulation was a legitimate exercise of the regulation-making power of the Lieutenant Governor in Council. The following paragraphs of Section 139 of the Act are noted:

139. Regulations. - The Lieutenant Governor in Council may make regulations, ...

15. prescribing the documents ... and the form, content and other particulars relating thereto that are required to be filed, furnished or delivered under this Act and the regulations

30. respecting any other matter necessary or advisable to carry out effectively the intent and purpose of Part XIX or Part XX.

It is therefore clear that the Lieutenant Governor in Council has the power to require the filing of documents in order to carry out the "intent and purpose" of Part XIX of the Act, whether such documents are compulsory or voluntary, and whether or not such documents are specifically referred to in the statute. The "statutory foundation" for Section 170 of the Regulation is therefore beyond doubt.

It may be noted as well that as a consequence of the filing requirement for amendments to a Directors' Circular found in Section 170 of the Regulations, it is an offence under Section 118(1)(b) of the Act to make a misrepresentation

(which includes an omission to state a material fact - Section 1(1)24(ii)) in such a document, even though such document may not be required to be sent to shareholders. Section 118 provides in part:

"118(1) Offences, general - Every person or company who, ...

(b) makes a statement in any application, release ... or other document required to be filed or furnished under this Act or the regulations that, at the time and in the light of the circumstances under which it is made, is a misrepresentation; ...

is guilty of an offence ..."

3. Section 96(4) of the Act

At pages 39 and 43 of their argument, the Respondents contend that the September 22 letter to shareholders did not constitute a Directors' Circular or an amendment to a Directors' Circular but was the kind of communication contemplated by Section 96(4) of the Act. Section 96(4) addresses the situation where a board of directors is considering recommending acceptance or rejection of a take-over bid at the time a Directors' Circular is required to be sent out, but has not made a final determination of this issue. In these circumstances, the board is required to so state in the Directors' Circular and to further advise the shareholders not to tender their securities until further communication is received from the directors. Such further communication would set out the board's recommendation, together with any supporting information.

In our submission, the type of such "further communication" contemplated by Section 96(4) of the Act is clearly distinguishable in kind from the September 22 letter signed by White. Where Section 96(4) of the Act applies, shareholders must be told in the Directors' Circular to expect a further communication as to the board's recommendation. Therefore, unlike the case of the September 22 letter, there would be no reason for concern that shareholders would be under any misapprehension with respect to the nature of such further communication.

It should be noted as well that the Staff is not contending that all documents sent to shareholders in a take-over bid context by the target company should comply with Form 32, nor does such a conclusion follow logically from our position (as suggested by the Respondents at pages 43 and 44 of their Argument). The Staff submission applies only to a document which, like the September 22 letter, is in substance a Directors' Circular or an amendment to such a document.

IX. TIPPING

As has been previously stated in the Reply, the Respondents' submissions as to the alleged lack of knowledge of White and Scholes is unrealistic in light of the abundant direct and circumstantial evidence, which indicates the extent of their knowledge as to the purchases made or being made by the various institutions and their likely tendering intentions. Perhaps the strongest evidence in this regard are the comments made by White himself to the Board of Directors on September 11, 1980 that "a minimum of 41% is absolutely firm and at least an additional 1 million shares are also firm", and on September 16 as to the three major institutions owning 10%, two of 5% and several of 1 to 3%. Similarly, the information communicated by Otley to the Board of Directors as to the E.T.A. accounts and the results of the shareholder canvass was specific information and was not publicly available.

Therefore, the information that was communicated to the Toronto-Dominion Bank officials on September 17, 1980 was information that the Respondents themselves regarded as reliable and factual.

1. MATERIALITY

The materiality of the information is illustrated by the fact that it was information which would affect a shareholder's assessment as to the success or failure of the bid. That is precisely what Hale, Hockin and Thomson said the T-D Bank was

trying to assess throughout the bid. The materiality of the information provided to the T-D Bank is further illustrated by the evidence of "tips" to the senior officers of Sun Life, Noranda and the C.I.B.C. and their reaction to the receipt of this information. Also, it should be noted that the definition of "material fact" in Section 1(1)22 is an objective one. There is also the evidence that all of those who received the information did not tender and the statement of McNeil that "it definitely did" influence Sun Life's decision not to tender.

In their review of the evidence of Hockin and Thomson, the Respondents fail to refer to the portions of evidence which indicate that the T-D were not, previous to September 17, aware of the fact of ownership of Royal Trustco shares by Sun Life, and Noranda, nor of their intentions as to tender, nor of the amount of holdings and intentions as to tender of the E.T.A. accounts. (Volume 2, pages 393-394). The Respondents suggest that the T-D Bank were not convinced by the tip. This conclusion is debateable in view of the evidence that the Bank did not tender.

However, Section 75(1)(b) does not require that a recipient be convinced by the information tipped (or even be actually affected). If the undisclosed information is found to be material, the disclosure of it apart from any subsequent action by the recipient is prohibited. The T-D Bank officials certainly considered and discussed the information among themselves and weighed it into their decision. Given the following facts:

1. on September 16 the T-D Bank officials told Taylor that they were "lonely";
2. on September 17, the Respondents "tipped" material information; and
3. on September 19 the T-D did not tender;

there is an inference that the T-D Bank did make use of the information in making its ultimate decision to hold (although Section 75(1)(b) of the Act does not require that the recipient "make use of" the information - see Section 75(2).) The Respondents point to no other significant piece of information which the T-D Bank officials made use of in making their decision.

As stated earlier in the Reply, there is a distinction between "materiality" and "ripeness". It is submitted that once information has been tipped or revealed, ripeness is not an issue. The only issue is whether the information was material. The U.S. "disclose or abstain" rule as set out in the Texas Gulf Sulphur decision, supra, is a recognition that certain material facts might not be "ripe" and therefore need not be disclosed. The insider, however, must in the meantime refrain from disclosing material facts to a selected few. (See page 848 and footnote 12 of page 850 of that decision)(.

At page 94 of the Respondents' Argument it is suggested that, given the "extraordinary" nature of the undisclosed information in the Texas Gulf Sulphur case, the finding that inadequate disclosure had occurred was not surprising. By way of response, it is appropriate to quote a passage appearing at pages 849-50 of that decision:

"... Knowledge of the possibility, which surely was more than marginal, of the existence of a mine of vast magnitude indicated by the remarkably rich drill core located rather close to the surface (suggesting mineability by the less expensive open-pit method) within the confines of a large anomaly (suggesting an extensive region of mineralization) might well have affected the price of T.G.S. stock and would certainly have been an important fact to a reasonable, if speculative, investor in deciding whether he should buy, sell, or hold." (Emphasis added).

There was no certainty that a profitable mine existed. However knowledge of the drill core results would greatly reduce the risks of holding, or purchasing more securities in T.G.S.. Similarly, in the instant case, greater knowledge as to the likelihood of success or failure of the bid would reduce the risks inherent in the decision whether to accept or reject an offer. The Toronto-Dominion Bank witnesses testified as to the "risk" involved in ending up as a minority shareholder in a Campeau-controlled Royal Trustco. However, knowing that there was a greater chance that the bid would fail reduced the risks of their holding on to their securities. Other shareholders, not possessed of the same information would be at greater risk in their decision. That, according to a statement at page 852 of the Texas Gulf Sulphur decision, is contrary to the intent of the securities legislation.

"It was the intent of congress that all members of the investing public should be subject to identical market risks, - which market risks include, of course the risk that one's evaluative capacity or one's capital available to put at risk may exceed another's capacity or capital. The insiders here were not trading on an equal footing with the outside investors. They alone were in a position to evaluate the probability and magnitude of what seemed from the outset to be a major ore strike; they alone could invest safely, secure in the expectation that the price of T.G.S. stock would rise substantially in the

event such a major strike should materialize, but would decline little, if at all, in the event of failure, for the public, ignorant at the outset of the favourable probabilities would likewise be unaware of the unproductive exploration, and the additional exploration costs would not significantly affect T.G.S. market prices."

2. DIVIDENDS

The facts with respect to the dividends are set out in the Staff Argument on pages 40 to 42. The allegation in the Notice of Hearing is that "Royal Trustco management was considering recommending to the Board that the dividends payable on Royal Trustco shares be increased." It is submitted that the facts are clear that that was the purport or the inference left with the T-D officials on September 17th by Messrs. White and Scholes. Thomson referred to the presentation by White as "an enthusiastic emotional presentation." There is then the evidence of a hastily called meeting by way of conference telephone to discuss a possible dividend increase. A decision was apparently made to defer the matter for a period of time. Historically, events showed that shortly after the Campeau bid failed the dividends were in fact increased. However, it is not necessary for the increase to have occurred for the alleged tip to have taken place as indicated in the Notice of Hearing.

It is interesting to compare the Respondents' submissions to those made in the Geon case with respect to the absence of clear evidence as to conversations where information was found to have been tipped. There the Court said:

"The SEC was unable to provide direct evidence of disclosures by Neuwirth to Rauch; Rauch asserted the privilege against self-incrimination and Neuwirth claimed inability to recall the subject matter of most of their numerous talks. However, inability to reproduce the precise content of conversations under these circumstances cannot be an absolute bar to liability; the circumstantial evidence sufficed to justify the court's inference that Rauch was getting from Neuwirth something that was not available to the public."

3. THE "EVIL" AT WHICH
SECTION 75(1)(b) IS
AIMED

The Respondents submit that the absence of a trade by the tippees in this case means that the evil to which Section 75(1)(b) is addressed did not occur. In support of this they cite the case of Elkind v. Leggitt and Myers, Inc., a case dealing with civil liability for a tip. It is submitted that civil liability, or damage resulting from an actual purchase or sale, is not the only "evil" to which Section 75(1)(b) is aimed. Otherwise, the wording of Section 75(1)(b) would have included that requirement.

The instant case is a perfect illustration of how "evil" can occur apart from a trade in securities. In any situation where there is a take-over bid, all shareholders are required to make a decision as to whether to accept or reject an offer. If they accept the offer they tender their shares and a sale is completed when taken up by the offeror. If they wish to reject an offer, they can either hold the shares or sell them into the market. In each case a decision has to be made, and in making

that decision the shareholders assess material information which is in their possession. An "evil" is certainly present when some shareholders are possessed of material information in making that decision which is not in the possession of other shareholders.

In this case the very purpose of the tipping by the Respondents was to encourage the tippees not to tender their shares. It should then be no surprise that the recipients did not, in fact, engage in a purchase or sale. If anything, it shows that the efforts of the Respondents met with the desired results and that the information was material.

Thus, one "evil" at which Section 75(1)(b) is aimed, is the damage which can occur when an imbalance is created in the information which is available to shareholders in making their decision with respect to an offer. The principle of equality of access to information is one which the Courts in the United States have fostered and which is reflected in the Canadian legislation. There is no need to repeat what was said at pages 62 and 63 of the Staff Argument. However, by way of reply, it should be pointed out that there are several examples of S.E.C. proceedings where persons have been disciplined for tipping even though no trading was carried on by the recipient or there was no benefit to the tipper.

For example, in the case of Re Faberge, Inc., C.C.H. 1973 ¶ 79,378 (S.E.C.) certain broker-dealers gave information to persons who then completed transactions with other brokers.

At page 83,105 of the decision, the following is said:

"We believe that it is immaterial that the recipient of the information effects a transaction with a different broker-dealer. ... Indeed, the fact that the recipient may not effect any transaction after receiving inside information does not absolve the tipper of responsibility under the rule. The rule prescribes conduct which not only "operates" but also "would operate" as a fraud or deceit upon investors".
(Emphasis added.)

In the case of S.E.C. v. Lum's Inc., 365 F. Supp. 1046 (1973, S.D.N.Y.), the S.E.C. brought injunctive proceedings against a company and its chief operating officer because of certain tipping violations. The chief operating officer had given information to certain persons who, though they did not themselves effect any trades, passed the information on to persons who eventually made use of the information. The Court in commenting upon the tips made the following statement at page 1058:

"This is just the sort of selective disclosure for personal purposes that ultimately works unfairness in the markets: some people are better informed and thus conduct better analyses, in reaching decisions to act, because of unfair advantages not enjoyed by others - even if they do not take direct action on the specific information conveyed."
(Emphasis added)

All of which is respectfully submitted by:


THOMAS J. LOCKWOOD


RICHARD A. LOCOCO

Of Counsel to the Staff of the
Ontario Securities Commission.

CORRIGENDA - COMMISSION STAFF
ARGUMENT (IN CHIEF)

1. p. 84, line 8 - for "specifically affects", read "significantly affects".
2. p. 85, line 21 - for "embryonic states", read "embryonic stages".
3. p. 90, line 17 - for "this would change", read "this could change".

("B.M.") that Campeau Corporation intended to make a takeover bid for all of the voting securities of Trustco (the "Campeau bid"). The next morning, at Mulholland's suggestion, Campeau attended at White's country residence to advise White of his intentions. White was then President and Chief Executive Officer of Trustco. White's reaction to the news was aggressively negative. After escorting Campeau from his premises White commenced to mount defences to the Campeau bid. From that time forward until Thursday, October 2, 1980, when the Campeau bid was defeated White, with the aid of his then Senior Vice-President, Chief Operating Officer and soon to become director, Scholes, with the concurrence of Trustco's Executive Committee and Board of Directors, the active assistance of Trustco's officers, legal and financial advisors concentrated on defeating the Campeau bid.

These efforts followed many of the text book techniques developed in the United States of America. It commenced by reviewing the known shareholders, soliciting the support of as many of them as possible, attempting to get assurances from the larger shareholders that they would not tender to the bid, enlisting the sympathy and active assistance of professional managers of major corporation with whom they had some personal relationship (the "friends"), and exploring the alternative that a more acceptable bidder might be found ("white knight"). The principal financial advisor was McLeod Young Weir Limited ("M.Y.") and its Chairman, President and Chief Executive Officer, Austin Taylor ("Taylor"). The battle was waged before the courts and the Commission.

Campeau was clearly the least attractive alternative to White and his associates. The idea of their being any single white knight appears to have been only marginally more attractive although White's advisors were permitted to pursue alternative plans during the course of the bid. White knights were considered and politely rejected. When the bid closed two of the new allies who emerged included The Toronto Dominion Bank ("T.D."), and a client and business associate of T.D., Oxford Development Group Ltd. ("Oxford"), and Olympia and York Investments Ltd. ("O. and Y."). O. and Y. came on the scene actively late in the campaign and subsequently increased its holdings to the point where it is now Trustco's largest single shareholder.

The successful defence was erected through the wall of active and tacit support built with the assistance of the friends. The construction of this defence and the measures taken to assure that its cornerstones remained in place are reviewed in detail below. Through their contacts, the friend - professional managers of major corporations usually at the chief executive level, White and his associates were able to persuade them not only to retain the Trustco shares which the

companies they managed already owned or controlled but, in several instances, to purchase shares for the first time or to materially increase those holdings.

Trustco is the parent of the "Royal Trust" group of companies whose securities were and are listed and posted for trading on The Toronto Stock Exchange ("T.S.E.") as well as the Montreal, Vancouver and Alberta Stock Exchanges. Trustco is a federal corporation and, as such, is subject to the surveillance of the appropriate federal authorities.

The Take-Over Bid - Key Dates and Documents

1. Friday, August 29, 1980 -
Take-Over Bid Circular

The Campeau bid commenced through the mailing of the Campeau bid circular (the "offering circular") dated August 29, 1980. Part XIX of The Securities Act, 1978, S.O. 1978, c.47, as amended (the "Act") and the Regulations to the Act governed the conduct of take-over bids in Ontario. Campeau Corporation offered to purchase all of Trustco's outstanding Class A and Class B common shares for \$21.00 per share and all of the preferred shares for \$29.93 per share. The offer was conditioned on the equivalent of 9,000,000 common shares being tendered by the closing date, Friday, September 19, 1980, unless the offer was extended.

2. Friday, September 5, 1980 - Minutes of
Trustco Directors' Meeting -
Monday, September 8, 1980 - Trustco
President's Letter and Directors' Circular

Trustco responded to the offer with a letter to its shareholders signed by White, dated September 8, 1980, which accompanied a Trustco Directors' Circular bearing the same date signed by White and others on behalf of the Board. The Directors had approved the circular at a meeting held on September 5. The letter and circular recommended the rejection of the Campeau bid.

3. Thursday, September 11, 1980 - Minutes
of Executive Committee Meeting

White reported that a minimum of 41% of the Trustco shares would not be tendered plus an additional 1,000,000 shares and that Campeau would be denied control.

4. Wednesday, September 17, 1980 - Meeting between Senior Officers of T.D. and Trustco (not minuted)

Advice was given by White to T.D. concerning ho of other companies together with advice that about 60% of Trustco shares will not be tendered. There is also some discussion of Trustco's continuing dividend policy. Whit telephones other chief executive officers of friends.

5. Friday, September 19, 1980 - Campeau bid extended and price increased

Only 30% of the Trustco shares being tendered C Corporation extended its bid until Thursday, October 2, a increased the offering price for the common shares from \$ to \$23.00 and for the preferred shares from \$29.93 to \$32 per share. Shareholders already tendering are given a ne day right of withdrawal.

6. Monday, September 22, 1980 - Minutes of Trustco Directors' Meeting, Trustco President's Letter on behalf of the Board

The Trustco directors authorize White to send letter ("White letter") on their behalf affirming their recommendation to reject the Campeau bid.

7. Thursday, October 2, 1980 - Campeau bid closes

When the bid closed only 25% of the outstanding shares had been tendered. One shareholder (Caisse de De Placement du Quebec) withdrew its shares after September subsequently sold them to O and Y.

The Investigation

With the announcement of the Campeau bid the Commission's market surveillance staff, in conjunction v staff of the T.S.E., commenced to monitor current trading review the trading which occurred prior to the announcement the bid. Charges and counter-charges were made publicly Campeau and Trustco. Applications for various kinds of were brought before the Supreme Court of Ontario and the Commission. The prominence of the competitors, the fri the nature and extent of the offensive and defensive ta required that the matter be reviewed on an urgent footi Commission ordered an investigation under section 11 of

clothing the investigators with the power to look fully into the matter. In this connection Ontario was afforded full co-operation by the Quebec and Alberta Securities Commissions. The federal authorities, on our understanding, were instructed to conduct a separate investigation under the provisions of the Canada Business Corporations Act, S.C. 1974-75, c. 33, as amended ("C.B.C.A.") since Trustco is subject to the C.B.C.A.

Upon the completion of the Ontario investigation the investigators reported to the Commission in accordance with section 11(9) of the Act. The Commission, in turn, submitted the Report to the Minister of Consumer and Commercial Relations (then the Honourable Frank Drea) in accordance with section 12 of the Act, with the recommendation that the Commission deal with the matter through an administrative hearing. While, on the basis of the allegations made in these proceedings, charges might be laid alleging contraventions of the Act and the Regulations the administrative forum gives greater latitude to explore all of the activity which resulted in the defeat of the Campeau bid. Through such a hearing the action taken becomes known to investors and the business community. The rumours which grew in the face of the trading activity during the period could be confirmed or dissipated.

Staff counsel placed before the Commission the direct evidence of the participants, with the exception of Messrs. White and Scholes and other officers of Trustco. The only direct evidence from Trustco is the minutes of the Executive Committee and directors' meetings for the period August 28 to October 3, 1980, found as Exhibit 19.

Notice of Hearing : The Allegations

Based on the evidence obtained through the staff investigation the Commission instructed that a hearing be convened under section 124(2) of the Act to consider withdrawing the trading privileges of Trustco, White and Scholes. Although there were numbers of other individuals who must bear responsibility for the shortcomings alleged in the documents sent to its shareholders by Trustco, including the directors who approved the Directors' Circular and the subsequent White letter, it was clear that the focus of the activity was White with Scholes being at his side and in support on most important occasions. Accordingly the hearing was directed to a consideration of the conduct of White and Scholes. Trustco was also named as a party.

The specific allegations made in the Notice of Hearing dated November 25, 1980, upon which these proceedings

were based are as follows:

"4. On or about the 5th day of September, 1980, the Directors of Royal Trustco approved a Directors' Circular to be sent to the shareholders of Royal Trustco, which Directors' Circular, to the knowledge of White and Scholes, did not sufficiently disclose the information prescribed by Form 32 of the Regulation under the Act, as required by Section 165 of that Regulation, in that the Circular failed to disclose fully:

- (a) the nature and extent of the actions being taken by Royal Trustco management to oppose the Bid, and
- (b) the fact that after encouragement by Royal Trustco management, certain persons or companies had purchased shares of Royal Trustco with the intention of not tendering such shares pursuant to the Bid or were holding shares of Royal Trustco then in their possession with the intention of not tendering such shares pursuant to the Bid.

5. White, as Chief Executive Officer of Royal Trustco, signed the certificate in the Directors' Circular at a time when he knew or ought to have known that the said Directors' Circular was deficient as set out in paragraph 4 hereof.

6. On or about September 17, 1980, White and Scholes, both being in a special relationship with Royal Trustco, met with certain personnel of The Toronto-Dominion Bank and revealed to them other than in the necessary course of business, certain material facts in relation to the affairs of Royal Trustco which had not been generally disclosed, including the following:

- (a) that approximately 60% of the shares of Royal Trustco were owned by person or companies who White and Scholes knew or had reason to believe would not tender pursuant to the Bid, some or all of whom were named or otherwise identified, and
- (b) that Royal Trustco management was considering recommending to the Board that the dividends payable on Royal Trustco shares be increased.

7. On or about September 19, 1980, Campeau Corporation increased the offering price of the Bid to \$23.00 for each Class A or Class B Common Share and \$32.78 for each Series A or Series B Preferred Share.

8. In response to the said increase in the offering price, Royal Trustco and White caused a letter dated September 22, 1980 to be sent to the shareholders of Royal Trustco, which letter constituted a Directors' Circular that did not comply with Section 165 of the Regulation under the Act, and was further deficient in that it failed to fully disclose the facts set out in subparagraphs (a) and (b) of paragraph 4 and subparagraphs (a) and (b) of paragraph 6 hereof.

9. As a result of the foregoing allegations, shareholders of Royal Trustco were deprived of sufficient information upon which to base their investment decision whether to hold their shares, sell them on the open market or tender them pursuant to the Bid."

In terms of the "Key Dates" the notice alleges that Trustco, White and Scholes, at the material dates, failed to disclose the nature and extent of the effort that was mounted to defeat the Campeau bid and their success at those critical times September 5-8, September 11, September 16-17 and September 22, 1980.

Form 32, the information required in a Directors' Circular under Regulation 165 of the Act, in Item 12 under the heading "Other Information" requires that the directors state,

"...the particulars of any other information not disclosed in the foregoing but known to the directors which would reasonably be expected to affect the decision of the security holders of the offeree company to accept or reject the offer."

Scholes and White were at the directors' meeting which authorized the sending of the September 8 circular and the September 22 White letter affirming the September 8 circular.

On September 17 White and Scholes attended upon senior officers of T.D. in an effort to persuade them to remain firm and not tender to the Campeau bid on or before September 19. In the language of section 75 of the Act, which prohibits persons in a "special relationship" with a reporting issuer such as Trustco from disclosing material facts or changes concerning that issuer which they knew had not been generally disclosed, it is alleged they passed these material facts to

the T.D. officers thus assuring the T.D. officers that if T.D. did not tender its recently acquired shares it would not find itself in a minority position in a Campeau controlled Trustco. On the same date, September 17, the evidence discloses other conversations between White and other friends.

In reviewing these allegations against the evidence it should be emphasized that the Commission has not been made aware of any law, either in Canada or the United States of America, which prohibits the kinds of defensive efforts undertaken by Trustco's officers and board excepting those imposed through the common law and the governing corporation law. The Commission is testing the conduct against the obligation to make disclosure of material facts imposed through the Act and Regulations and the prohibition against tipping undisclosed information.

Importance of Material Facts
To Trustco Shareholders

In Exhibit 2 the Staff submitted detailed information concerning trading in Trustco shares both before and during the period of the Campeau bid. Following the announcement on August 28 the volume of trading and the prices on the T.S.E. and the M.S.E. rose. From the \$15 1/2 to \$16 range, where it traded during August, the A shares traded as high as \$20 1/2 on August 28 and, on September 2, traded above Campeau's \$21 offer price. As the evidence disclosed the friends moved quickly into the market after September 1, Labour Day. A strong market existed for the Trustco shares on most days throughout the Campeau bid.

The uninformed shareholders, unable to move with the speed and insight of the professional trader or arbitrageur had three alternatives open to them. They could,

- (a) hold their shares in the hope
 - (i) that the Campeau bid would fail, or
 - (ii) that Campeau would succeed;
- (b) tender their shares in the expectation that the Campeau bid would succeed; or
- (c) sell their shares in the market to take advantage of the higher prices generated by the Campeau bid. If the Campeau bid failed, following the bid, they might cover their sales through market purchases giving them a net profit.

The question raised is whether facts, as perceived by White and Scholes at the key dates, would have assisted the shareholders in these decisions.

"The Respondents" - White
and Scholes - Trustco

The fault alleged, the failure to disclose, was peculiarly the responsibility of White and to a lesser extent Scholes. It was White, on the evidence, who called his executive together, mustered his advisors and then with the assistance of his officers set out to defeat the Campeau bid. It is White who was the contact, White who made the telephone calls on September 17 and led the delegation to T.D.'s offices. There can be no doubt who the driving and dominating force was, albeit with Scholes at his side, the active assistance of the officers and employees of Trustco and their advisors, the support of the Trustco board of directors and the encouragement and active support of the friends.

A corporation can act only through its agents in the conduct of its business and affairs. If the agent involves the principal in an unlawful act that principal may be liable for whatever penalties follow. In the conduct under review it may be concluded that these agents, the officers and directors, were not engaged in the business or affairs of the corporation. The ostensible reason for the action was to protect Trustco and its shareholders from the undesirable consequences management and the friends believed would flow if Campeau were to achieve control. If, as the staff submits, the individual respondents "moved beyond the bounds of propriety", it must follow that Trustco and its shareholders should not be penalized through restrictions on Trustco's trading activities to the detriment of those investor-shareholders we purport to protect. The Commission unanimously concluded that no order should be made against Trustco.

Conclusions

All of the members of the Commission panel, excepting Commissioner Miles, are of the view that Messrs. White and Scholes failed in their responsibility to make disclosure of material facts required to be disclosed by the Act and the Regulations. In addition the panel, again excepting Commissioner Miles, are of the view that Messrs. White and Scholes behaved improperly in providing some of the facts to the T.D. officers that they had failed to disclose to investors generally, information important to all shareholders in making

the decision as to whether to tender to the Campeau bid or sell or retain their shares. On the information in the possession of White and Scholes the Campeau bid from the earliest days was doomed to failure. The only difference between majority members of the panel is whether the Directors' Circular of September 8 was misleading by what it omitted, at the date of making, or whether the position firmed up subsequently with the result that the White letter of September 22, in the light of the then known facts, was misleading.

A good deal of time was spent in an attempt to characterize the September 22 letter as a "Directors' Circular", a "Director's Circular" or a letter sent by the President. In the Commission's view the label is unimportant. The Trustco directors authorized the President to affirm the information they had given in the September 8 circular.

The reasons for these conclusion are set out below.

The Evidence

Schedule A to the written staff argument, commencing at page 101, sets out a detailed chronology of events. The Trustco minutes, Exhibit 19, record the reports made by White from time to time about the defence program. Exhibit 2 contains a detailed analysis of the key share positions, the purchase made by friends and others following some contact with a Trustco officer or agent, and various market schedules. The take-over documents are in Exhibit 4. This evidence is expanded upon and corroborated by an extensive range of witnesses. From the whole, absent any explanation from Messrs. White and Scholes, the conclusions summarized above were reached.

White, with the assistance of Scholes and others, created the fabric which defeated the Campeau bid through appeals to loyalty, by arousing fears as to the impact a Campeau controlled corporation would have on existing business relationships, and the hopes of some of the friends that existing business bonds might be strengthened or new relationships forged. Taylor, Mulholland and others were intermediaries, Mulholland in seeking a compromise between the parties without further confrontation, and Taylor in attempting to construct plans for defence, to find white knights, as well as professional advice and opinion.

The range of witnesses was impressive. Among the group styled friends were,

John Duncan McNeil ("McNeil")	- Vice-President, Securities Investments, Sun Life Assurance ("Sun Life");
Thomas M. Galt ("Galt")	- Chairman and Chief Executive Officer, Sun Life;
William D. Mulholland ("Mulholland")	- President and Chief Executive Officer, B.M.;
Richard M. Thomson ("Thomson")	- Chairman and Chief Executive Officer, T.D.;
Alan B. Hockin ("Hockin")	- Executive Vice President, Investments, T.D.;
Ernest C. Mercier ("Mercier")	- Vice President, T.D.;
Timothy C. Hale ("Hale")	- Equity Portfolio Manager, T.D.;
Alfred Powis ("Powis")	- Chairman and President of Noranda Mines Limited ("Noranda");
Russell E. Harrison ("Harrison")	- Chairman and Chief Executive Officer, The Canadian Imperial Bank of Commerce ("C.I.B.C.");
Clarence W. Cole ("Cole")	- Executive Vice President, C.I.B.C.; and
Robert Denman ("Denman")	- Investment Manager, Commercial Union Insurance Company;

In the category of owners, rather than purely professional managers, were,

G. Donald Love ("Love")	- Chairman and President of the Oxford Development Company Limited ("Oxford Development"); and
Paul Reichmann ("Reichmann")	- Olympia and York Investments Limited (O. and Y.).

Findings of Fact

By the end of August 27 senior executives of Trustco had met in Toronto with Taylor. E.A. Wickens ("Wickens"), Executive Vice President of Trustco, had spoken to McNeil of Sun Life. On August 28 the Executive Committee met for the first of what were to be a series of daily strategy meetings between Trustco and MY officials. Scholes spoke to Galt, McCarthy and McNeill and after Scholes left they discussed the purchase of additional shares by Sun Life. The appendix Trustco's directors' minutes of September 2 record that by August 29 Sun Life had indicated they would purchase up to \$10,000,000 worth of additional Trustco shares. Sun Life commenced to purchase on September 2 and made purchases throughout the period of the extended Campeau bid.

The largest purchase made by Sun Life was not in the market but rather from Trustco. Trustco had purchased 352,000 common and 33,600 preferred shares on August 28 and 29, for the Royal Trust Pension Fund, thought better of it, and arranged with Sun Life to purchase them. By the close of business on September 5 Sun Life had purchased an additional 62,400 preferred shares as well. MY was Sun Life's broker.

As a result of strategy meetings with Trustco officials, Taylor of MY developed what was called Plan A, which called for the formation of a group to act as a white knight alternative bidder. In pursuit of Plan A Taylor arranged a meeting at the home of Thomson of T.D. on Sunday, August 31, with officials of T.D. Thomson was cool to the plan but arranged to meet Taylor the next day at MY's offices. After Taylor left the T.D. officials discussed T.D. purchasing just under 10% of the Trustco shares for its own account. Thomson telephoned Love of Oxford Development. As a result of the discussions Love decided to have Oxford Development, a company Love had purchased back from the public shareholders with the assistance of T.D. and in which T.D. still had an interest, purchase just under 10% of Trustco's outstanding shares. Thomson agreed to T.D.'s banking Oxford's purchases of Trustco shares. This was discussed with Taylor on September 1. Taylor was told T.D. would not participate in Plan A. He was told about T.D. and Oxford's desire to purchase just under 10% each. Taylor did not want MY to act for both T.D. and Oxford. It was agreed between the parties that T.D. would purchase first through MY while Oxford purchased subsequently through another broker, Burns Fry Ltd. ("Burns"). T.D. made its major purchase on September 2 paying as high as \$21.25 for common shares and \$30.00 for the preferred. Oxford's major purchase was on September 3 at prices up to \$21.00 per common share. Burns, on behalf of Oxford, actually purchased slightly

in excess of 10% of the outstanding voting shares a fact, which when discovered some time after Oxford had paid for the shares, resulted in the sale of enough shares to bring Oxford's holdings down below the 10% "insider" reporting level under the Act and the take-over bid level of 10% under the C.B.C.A. (as opposed to the 20% level under the Act). As at September 5 these two new purchasers had acquired just under 20% of the outstanding voting shares. (T.D. held 9.98% in the end and Oxford 9.71%.)

Trustco had an historical relationship with B.M. It was accepted wisdom that B.M. held something just under 10% of the Trustco stock. Mulholland discovered, notwithstanding his assurances to White in this regard ("I am not now minded to tender the stock"), that the bank's holdings had slipped. On September 3, acting through MY, B.M. purchased some 519,043 shares to bring its holdings back to 9.01%.

Appended to the minutes of the Trustco directors' meeting of September 2 is a report of statements made by certain major Trustco shareholders as a result of contact with Trustco officials.

"Stelco - spoke emphatically to K.A.W. - would move account if Campeau successful - will not tender stock.

Commercial Union - appalled - stock will not be tendered.

Guardian Insurance - unhappy with Campeau - would certainly let (Trustco) know before selling.

Manufacturers Life - President called in to say he had frozen shares in their own account and would let us know if segregated accounts wished to sell.

Standard Life - horrified - sure deal will not go through - stock will not be tendered.

Ontario Hydro - sympathetic - would be governed by investment consideration and let us know prior to sale.

Sun Life - what can they do to help - would buy more stock - \$10 million.

McGill - agreed to freeze holdings not tender..."

On September 2 Denman of Commercial Union assured White of his support and on September 3 Commercial Union purchased an additional 110,000 preferred shares through MY.

On September 5, 1980, the Directors' Circular was reviewed by R.N. Robertson, Q.C., with directors of Trustco.

On Sunday, September 7, White spoke to Powis of Noranda about purchasing shares and subsequently to Taylor. Between September 8 and 11 Noranda purchased through MY the equivalent of 500,000 common shares, or 2.56% of Trustco's voting shares.

Between September 15 and 19 C.I.B.C. purchased 516,000 Trustco shares amounting to 2.64% through Dominion Securities. Harrison had been contacted by White on August 29 but it was some two weeks later that C.I.B.C. decided to buy. In the words of Harrison, C.I.B.C. purchased "to protect the business relationship" the bank had with Trustco. The decision was made, on the evidence of Cole, following a contact by Wickens, who was also a friend of Cole's. Cole spoke to Harrison and the decision to purchase was made.

The Trustco directors' minutes of September 11, under the heading "STATUS REPORT - CAMPEAU CORPORATION OFFER" state in part,

"The Chairman (White) reported on the position of shareholders who had indicated that they would not tender their shares.

The present indications are that a minimum of 41% is absolutely firm and at least an additional one million shares - are also firm. Accordingly, the Chairman expressed confidence that Campeau would be denied control.

Mr. Otley (G.R. Otley - Vice President, Investments and Trust Services, Royal Trust) informed the meeting that a canvass of clients was being undertaken and results were most encouraging. Only about one-third of the clients had been canvassed to date, and of these, 65% had decided to retain their holdings."

The Trustco directors met on September 16 with the minutes recording the following, in part, under the heading "CAMPEAU CORPORATION OFFER",

"The Chairman (White) then reviewed the position with respect to the Campeau Offer; the extensive

activities that had been undertaken including communications with all trust company clients holding shares and the 'phone canvass of shareholders necessitated by the interruption in mail deliveries. He then called upon Mr. Otley to comment...He observed that on 28 August, approximately 3.3 million shares, 15% of the outstanding shares were held in trust accounts. (Then follows a description of the steps taken to live up to their fiduciary responsibilities.)....Of the total holdings of 3.3 million shares, only 24,000 shares had been identified as shares that would be tendered in acceptance of the Campeau Offer."

Later the minutes record,

"The Chairman then reported on the substantial support that had been afforded by numerous individuals and firms and expressed the view as a result of the investments made that Campeau Corporation would be unable to gain 51% of the outstanding shares..." (Emphasis added.)

Three paragraphs further the minutes states,

"The Chairman disclosed that as a result of purchases made since the announcement of the Campeau offer, three major institutions now owned slightly less than 10% each, two 5% each and a range of others had acquired holdings in the 1 to 3% range."

On September 16 Taylor met with senior officers of T.D. who expressed concern about the possible success of the Campeau bid. White, Scholes and Wickens attended upon Thomson, Hockins and Bumstead of T.D. to assure them that 60% of the outstanding Trustco shares would not be tendered. In addition to T.D. and Oxford White mentioned Noranda, Sun Life and the B.M. as holding shares. There were also shares held by Trustco accounts. There is some discussion about the past dividend policy continuing.

On September 17 Powis phoned White to enquire about the Campeau bid. White stated that he was hopeful that the bid would fail. There was no detail discussed. Galt of Sun Life received a phone call from White on the same day. White told him that he felt the Campeau bid would fail, estimating that 55% of the shares would not be tendered. On September 17 Cole of C.I.B.C. was contacted by Wickens and told the bid would fail. Mulholland had been told on September 10, on Mulholland's evidence, that White predicted over half of the shares would not be tendered.

Galt was concerned that he had received inside information from White. On September 18, after consulting counsel, J. Garnet Pink, Q.C., Sun Life withdrew from the market.

On September 18 Taylor spoke to a potential white knight, reported the conversation to White, who in turn placed it before the Trustco executive committee. Later the same day it was considered at a special meeting of Trustco's directors who resolved,

"THAT the Chairman, President and Chief Executive Officer be and he is hereby authorized and directed to thank Canwest Development Corporation for their interest and approach and advise them that at this time, it is considered inappropriate to proceed further with their proposal."

Canadian Pacific Ltd. purchased 132,200 Trustco shares or .68% between September 8 and 19. Midlantic National Bank purchased the equivalent of 157,912 common shares on September 18-19, through MY being .81%. Between September 16-18 Deutsche Bank purchased 350,000 common shares or 1.79%. Between September 19 and 24 the Hong Kong and Shanghai Banking Corporation bought 546,200 shares or 2.79%. O. and Y. bought the equivalent of 1,780,899 common shares or 9.10% between September 25 and 30. Following the extension of the Campeau bid on September 19 one major shareholder withdrew in excess of 1,000,000 Trustco shares which it had tendered.

On September 19 the Campeau bid was extended to October 2 and the offering prices increased. On September 20, after discussion between Trustco and MY officials, it was decided to approach O. and Y. to purchase Trustco shares.

On September 22 White called Thomson, thanked him for not tendering and asked Thomson not to tender to the increased \$23 Campeau bid. Reichmann of O. and Y. was approached and Reichmann stated that O. and Y. would be interested in acquiring 50%. The Trustco directors met and approved the White letter, subject to revision by a sub-committee. The September 22 Directors' minutes indicate concern about the enhanced Campeau bid as follows,

"The Chairman reported that the market volume on 22 September was small with the price rising to \$20.625 which may be a favourable indication. He stated that it was the intention to continue the strategy and the defences that had been used to date; it appeared that at least 60% of the issued capital would not be

tendered but this could change and in addition, there was a substantial number of shares in the hands of smaller shareholders."

The September 22 White letter to shareholders was mailed. On September 23 the Reichmanns were told of Trustco's opposition to a 50% take-over by O. and Y. On September 24 the Reichmanns suggested that O. and Y. would be prepared to purchase 20% of the Trustco shares if they could nominate two directors. The Trustco executive agreed. On September 25 O. and Y. commenced purchasing through Burns. The bid closed on October 2 with only 25% of the Trustco voting shares tendered.

The Disclosure

The Directors' Circular of September 8, under "REASONS FOR REJECTION OF THE OFFER" stated, in part,

"A significant number of the clients of the Royal Trust Group including many with substantial assets held in trust by Royal Trust have indicated that they will withdraw their business from Royal Trust should the offer succeed. Such withdrawals would have a substantial adverse effect upon Royal Trustco and the Royal Trust Group."

This conclusion appears to be based, in part at least, upon the comments recorded in the appendix to the Trustco directors' minutes of September 2.

Page 8 of the Directors' Circular, under the heading "PURCHASES OF SHARES OF ROYAL TRUSTCO" states,

"No director or officer of Royal Trustco intends to purchase shares during the period of the Offer but each director and officer reserves the right to do so. The Directors and officers of Royal Trustco have been advised by a large number of persons acting independently that they intend to purchase shares of Royal Trustco in the market during the Offer Period. While all of the purposes of such purchases are not known to the directors and officers, many have stated that their purposes include maintaining Royal Trustco as a public company not under the control of a single individual or corporation..." (Emphasis added.)

This statement, which must include information from friends and Oxford Development, appears to have been included

in the circular in compliance with section 68(q) of the Regulations to the C.B.C.A., prescribing the contents of a Directors' Circular under that statute. The section states that the circular should include,

"(q) where a director or officer of the offeree corporation intends to purchase shares of the offeree corporation during a take-over bid or where he knows of the existence of such an intention and the purpose of such purchases, or if no such intention is known to exist, a statement to that effect;"

The question to be considered is whether White and Scholes, possessing, as they did, additional facts were obliged to disclose these facts. The facts on September 5, 1980, were

1. Scholes and his associates were determined to defeat the Campeau bid with the reasons for rejecting the offer being set out on the first page of the Directors' Circular.
2. In his effort to defeat the bid White utilized executive talents of the organization and retained no less than three legal firms, Fasken & Calvin, Phillip Vineberg, and Fried, Frank, Harris, Shriver & Jacobson as well as MY as its financial advisor. (September 2 minutes.)
3. The Trustco executives were well along in the process of actively soliciting the support of their major shareholders, clients, associates and friends requesting them to hold and not tender the Trustco shares they owned, to purchase and hold additional shares, or, if they owned no shares to consider acquiring and holding them. Mulholland and Taylor were pursuing alternative plans.
4. White and Scholes were aware that two new purchasers had been found, T.D. and Oxford Development, who were undertaking the purchases to assist Trustco management to defeat the Campeau bid and that these purchases might each approach 10% of the issued voting stock from T.D.'s discussions with Taylor.
5. White believed that B.M. held upwards of just under 10% of the voting stock.
6. White knew that Sun Life was in the process of purchasing some 10 million dollars worth of Trustco shares which would bring its holdings close to 5%.

7. White knew that Commercial Union were making or had made an additional purchase.
8. White and Scholes were aware as a result of the survey done through Mr. Otley's department (reported in the minutes of the September 16 meeting of the Trustco directors) that 3.3 million shares were held in trust accounts, approximately 15% of the outstanding Trustco shares.

On the basis of this information alone, when coupled with the other indications of support they had received, White and Scholes had every reason to believe that the Campeau bid could not succeed if their friends remained firm.

The minutes of September 11, without recording detail, outline the support anticipated. The minutes of September 16 expand the details. By September 17 Noranda had purchased 2.56% and C.I.B.C. was well toward its ultimate 2.64%. White could speak to Thompson and other friends on September 17 with some assurance.

On September 17, with the initial closing date of the Campeau bid - September 19 - in sight and T.D. exhibiting concern about the Campeau bid, White, Scholes and Wickens attended on T.D.'s senior officers to assure them that (with T.D.'s and Oxford's shares coupled with Noranda, Sun Life, B.M. and others including shares held for Trustco controlled or managed accounts) something in the order of 60% of the shares Trustco were locked up and safe from tender. Similar assurances were given to Powis of Noranda and Galt of Sun Life by White on the same day.

On September 19 only 30% of the shares were tendered and the Campeau bid was increased in price and extended to October 2. White informed the Trustco Board on September 22 that it would follow the successful tactics and he was authorized to send the September 22 White letter. The September 22 White letter described the position of the Trustco directors, again recommending the Campeau bid be rejected.

The September 8 Directors' Circular referred to the overt actions proposed to be taken before the Supreme Court of Ontario and elsewhere. These actions were proceeded with. The September 22 White letter referred to the application brought before the Commission which resulted in a decision by the Commission that Campeau Corporation had offered a higher consideration to one shareholder than it was offering to others. This paragraph concludes,

"Counsel for Royal Trustco continue to pursue appropriate legal remedies both in Canada and the United States in the light of this finding and other defects and deficiencies which Royal Trustco believes are contained in the Offer."

The references to its covert defence tactics are again oblique. The second paragraph of the September 22 White letter states,

"The fact that Campeau Corporation did not gain control of Royal Trustco is, in the view of your Directors, a clear response from our Shareholders as a whole that they do not wish to vest control of the Royal Trust Group in one person or corporation."

Later, as one of the reasons for rejecting the offer the White letter states,

"As evidenced by the concern expressed by clients, the experience of Campeau Corporation has little relevance to the ownership and management of Royal Trustco and the Royal Trust Group..."

The White letter concludes,

"The apparent lack of acceptance of Campeau Corporation's original Offer together with the many letters and messages of encouragement received at all levels of Royal Trust bear witness to the support of Shareholders and clients for the position taken by your Board. We remain confident that our loyal Shareholders will overwhelmingly reject the amended Offer as they rejected the original Offer."

Nothing was said about Trustco management's efforts to mount a defence including the widespread canvass.

White left nothing to chance. O. and Y. withdrew 9.10% of the Trustco shares from the market through purchase during the period September 25-30. On October 2 the percentage of Trustco shares tendered had been reduced from September 1 30% to 25%. The Campeau bid had failed.

The evidence of each of the senior executives was meticulous. Each was motivated to cause the corporations they managed to purchase Trustco shares and not to tender them because of commercial, financial or personal interest in the outcome of the Campeau bid. With the exception of Reichmann and Love they were professional managers and not owners and,

such, must ultimately answer to their directors and shareholders. As Counsel to the Respondents correctly stated these managers were unable to give White and Scholes assurances that they would not tender to Campeau under any circumstances. Reichmann clearly could. Love's evidence was equivocal. But there can be no doubt that the immediate purpose of each of them was to remove the Trustco shares from the market thus making them unavailable to Campeau. If a white knight appeared with a better bid their position could be reviewed. If it appeared that Campeau was likely to succeed, making them minority shareholders of a Campeau controlled corporation then the purchases might not be defensible if the market price of the shares slumped back. Since all of these purchasers are investors and not speculators the only real justification for entering the market at the new market highs must have been to support and assure a continuing business relationship, to foster a new one, or to help a friend fend off the advances of an undesirable bidder. There could be no absolute assurances. White and Scholes would understand this. But they could expect that the shares would not be tendered, once purchased, without discussion with them. In fact none of the shares purchased as a result of their efforts were tendered.

The Commission concluded that White and Scholes were kept informed on a continuing basis through their personal contacts, including trading information supplied by Taylor and his organization on a day-by-day, and perhaps hour-by-hour, basis as to market purchases in size. Exhibit 20, a Summary of Principle Shareholdings prepared as a basis for the Trustco defence, shows that 25 shareholders with 50,000 shares or more accounted for 41% of the shares, 136 shareholders holding 10,000 to 49,000 shares accounted for an additional 28%, Trustco clients 13%, Trustco directors, employees and associates 3%, with all other shareholders holding only 15%. Many of these were nominees. As the defence campaign progressed and buyers like T.D., Oxford, Sun Life, Commercial Union and Noranda entered the market uncertainties disappeared. Assurances from other shareholders were solicited. Unfortunately the panel were not offered the benefit of hearing either Messrs. White and Scholes and must conclude that the statements recorded in the minutes and reflected in the evidence of other parties, culminating in the September 17 meeting and conversations, demonstrates a current and reasonably accurate state of knowledge at all material times.

Without exception each of the Commissioners believe that White and Scholes were in possession of reasonably accurate information at certain material times. Some question the extent of that knowledge as at September 8, the date the

Directors' Circular was mailed, but find the record in the subsequent minutes of Trustco directors meetings, particularly those of September 11 and 16, persuasive and confirmed by the evidence of the discussions with the T.D. officers on September 17. With the exception of Commissioner Miles whose dissenting reasons follow, each Commissioner finds the giving of the undisclosed information to the T.D. officers in order to assist them in making their decision not to tender improper.

We do not agree with the submissions of Trustco's counsel that it was not possible to make concise and plain disclosure of the nature, extent, and relative success of the defensive program mounted by White and Scholes, the management team, and their advisors.

Obligation to Disclose

It appears clear that the officers and directors of target company may properly take steps to oppose a take-over bid where they believe honestly and in good faith that the defeat of the bid would be in the best interest of the corporation and its shareholders. It is not suggested that it is improper to request existing shareholders not to tender to the bid (as the Trustco directors did through the September 8 and 22 communications), to solicit friends to purchase shares for the purpose of denying them to the bidder, or to seek white knights. Having embarked on such an active defence, apart from telling the shareholders the negative features of the offer and recommending against it, what positive obligation do the directors have to communicate details of the defence activity to the shareholders together with a report on its perceived success?

The decision in Chris-Craft Industries Inc. v. Pipe Aircraft Corp. 480 F. 2d 341 (2d Cir., 1973) describes the responsibility of officers and directors in the context of a contested take-over bid at pages 364-365 as follows,

"Corporate officers and directors in their relationship with shareholders owe a high fiduciary duty of honesty and fair dealing...By reasons of the special relationship between them, shareholders are likely to rely heavily upon the representations of corporate insiders when the shareholders find themselves in the midst of a battle for control. Corporate insiders therefore have the special responsibility to be meticulous and precise in their representations to shareholders."

The Notice of Hearing alleges that the September 8 Directors' Circular was deficient, to the knowledge of White and Scholes, in that it failed to disclose the nature and the extent of the defensive action being taken by Trustco's managers. The circular in fact misdirects the reader from the success they actually were having in mounting this defence in stating,

"...The directors and officers of Royal Trustco have been advised by a large number of persons acting independently that they intend to purchase shares of Royal Trustco in the market during the Offer Period. While all of the purposes of such purchases are not known to the directors and officers, many have stated that their purposes include maintaining Royal Trustco as a public company not under the control of a single individual or corporation."

As noted previously under sections 96 and 97 of the Act the directors were obliged to send a directors' circular to each shareholder within ten days of the offer. Section 165 of the Regulation to the Act provides that the directors' circular shall provide the information contained in Form 32. Item 12 of Form 32 requires the directors to,

"State the particulars of any other information not disclosed in the foregoing but known to the directors which would reasonably be expected to affect the decision of the security holders of the offeree company to accept or reject the offer."

The meeting of September 17 between Scholes, White and the T.D. officers is conclusive as to the importance White and Scholes attached to the undisclosed information in their possession. It was given in a successful effort to persuade T.D. (and through them their client and associate Oxford Development) not to tender their shares.

Any attempt to characterize the September 22 White letter as a Directors' Circular or a Director's Circular and to determine whether it is required to be sent under the existing legislation is not helpful. It was at the least a communication in the nature of a Directors' Circular issued with the authority of the directors. It refers to the September 8 Directors' Circular and, in effect, purports to update the information referring to subsequent events. It fails to make even the simplest of statements concerning the efforts that had been made, the alternative plans considered, all of which had resulted in the purchases recorded above. Indeed it would have been possible to state that in excess of 50% of the shares were

held by persons or corporations who had indicated they were purchasing for investment and not for the purpose of tendering to the bid. This would be more accurate than stating, as we noted above, that "many (purchasers) have stated their purpose including maintaining Royal Trustco as a public company not under the control of a single person or corporation". This latter statement is subject to criticism for what it omits to say.

Duty to Update

Some members of the panel are of the view that, while White and Scholes might not have enough reliable information on September 5-8 to include a status report on the success of the defence in the Directors' Circular that was not the case on September 11 or 16 when White reported to the directors and on September 17 when White and Scholes felt obliged to report to the T.D. officers. In this case, in the face of the extended Campeau bid, the Trustco directors through the September 22 letter purported to update the original Directors' Circular. The deficiencies perceived in the original circular were compounded by the additional information in the possession of White and Scholes and through them the other Trustco directors by September 22.

There appears to be little case law dealing with a duty to update. Section 52(1) of the Act requires that, during the period of distribution, where a material change occurs an amendment must be filed to the prospectus within ten days of the change. There is no parallel requirement for take-over documents. But in a case like the present one there should be an obligation on the issuer of a document to update previously disclosed information if, as in this case, it would be reasonable to assume the shareholders continued to rely on it in reaching a decision as to whether to tender the shares, hold them or sell them into the market.

In S.E.C. v. Shattuck Denn Mining Corp. 297 F. Supp 470, 476 (S.D.N.Y. 1968) the corporation's press release, although accurate when issued, became materially misleading shortly thereafter. The court held that the president of the corporation, who sold stock with knowledge of the new information, violated Rule 10b-5 by trading without correcting the release. The corporation was not held liable because it had not benefitted for the failure to correct. The president today in Ontario, would have violated section 75 of the Act.

The Commission is of the view that there is in Ontario today a duty to update information previously communicated when that information in the light of subsequent events and absent further explanation, becomes misleading.

"Tipping" : Disclosure by Person in
"Special Relationship" of Material Facts

All members of the panel, excepting Commissioner Miles, are of the opinion that Messrs. White and Scholes, being persons in a special relationship with Trustco, a reporting issuer, in the terms of section 75(1)(b) of the Act,

informed, other than in the ordinary course of business, the senior officers of T.D. about facts which they knew (believed) were material facts before the material facts had been generally disclosed.

These were the disclosures of September 17, discussed previously.

Section 75, while not mandating an update, provides sanctions for those who fail to provide material facts to investors generally while informing only some investors. This conduct was contrary to the public interest representing an attempt to confer a benefit upon T.D., by communicating undisclosed information, in order to assist T.D. in reaching its decision not to tender to the Campeau bid.

Sanction

It is the conclusion of the majority of the Commission that Messrs. White and Scholes, being in possession of material facts obtained as a result of the defences undertaken, were able to determine and did determine in reasonably accurate terms the percentage of outstanding Trustco shares being held from time to time by persons or corporations who had no present intention of tendering them to the Campeau bid. This information was volunteered by concerned shareholders and gathered through the initiatives taken by Trustco's management. This information could have been published without the necessity of naming the known holders of shares and in the absence of any commitment not to tender. The shareholders generally were entitled to the material facts communicated on September 17 to the T.D. officers and others. Through the failure to communicate these material facts White and Scholes deprived the remainder of their shareholders of the opportunity to make the same kind of informed investment decisions as to

whether to hold, tender to the Campeau bid, or sell into the market. This conduct was not in the best interests of all of their shareholders no matter what moral gloss is placed on their motives in attempting to defeat the Campeau bid. Accordingly some sanction is indicated.

It remains to be considered what action ought to be taken under Section 124 of the Act. At the conclusion of the oral argument we agreed, in the event we reached adverse conclusions as we have done, to hear further submissions as to penalty.

DATED at Toronto as of the 7th day of October, 1981.

Henry Knowles
J. Morgan

Harry S. Brown
S. M. White

Clifford

REASONS FOR CONCURRING DECISION OF COMMISSIONER STUART THOM, Q.C.

Although I agree with the majority that Messrs. White and Scholes are subject to stricture because of what they did or did not do in the course of the campaign to defeat the Campeau take-over bid, my reasons for this opinion are different from those given by the majority. I agree with the majority that no order should be made against Royal Trustco Limited. In the comments that follow reference to the Respondents will be to Messrs. White and Scholes only.

The primary issue presented to the Commission became common ground between the parties and is stated in the written Argument submitted by the staff at page 61, as follows:

"The issue for determination in this hearing is one of disclosure - did Royal Trustco, White and Scholes act contrary to the public interest with respect to what was disclosed, and what was not disclosed, to shareholders during the Campeau bid?

The issue was stated with more particularity at page 65 of the Staff Argument in the following terms:

"The basis of the allegations against ... White and Scholes in these proceedings is that they failed to make required disclosure and upset the information balance in the market by:

1. issuing a Directors' Circular dated September 8, 1980, which did not comply with the requirements of the Act and regulations.
2. "tipping" undisclosed information to The Toronto Dominion Bank and
3. issuing a letter to shareholders dated September 22, 1980, which constituted a Directors' Circular which did not comply with the Act or regulations".

It is alleged that as a consequence the majority of the shareholders were deprived of sufficient information upon which to base their investment decision, viz.: whether to hold their shares, sell them on the open market or tender them pursuant to the bid.

The allegations with regard to the conduct of the Respondents revolve around the Directors' Circular of September 8 and the circular of September 22. As the written submission of the respondents indicates, not one but several questions must be answered. The first is whether the Respondents were under a duty or obligation to disclose to the shareholders any information at all regarding the plans and activities designed to defeat the bid. It is clear beyond doubt that this was the whole purpose and intent of the defensive operations which are set out at length in the majority reasons. The Staff Argument admits that "... the directors and management of the target corporation (that is Royal Trustco) may properly act in opposition to a take-over bid where they believe in good faith that the defeat of the bid would be in the best interests of the corporation and its shareholders". Nowhere is it suggested that the Respondents, the directors of Royal Trustco and others involved in resisting the bid acted otherwise than in good faith.

Neither the Staff Argument nor the Respondents' Submission directs attention to judicial dicta that can be regarded as law in Ontario prescribing what directors or officers of an offeree company can do or should not do in the face of a take-over bid regarded by them as unacceptable. Nor is there any directly relevant judicial guidance in this regard. In any event, in whatever way the duty or obligation may be expressed and applied in relation to the facts of a particular case, in the first instance it must be derived from the Act and the Regulations.

The particular provision of the law relating to the matter in hand is to be found in Form 32 - the "Directors' Circular" which pursuant to regulation 96 is required to be prepared and disseminated to the shareholders of an offeree company by the directors within ten days from the date of a take-over bid. The items in the Form which can be regarded as having a bearing on the duty of the directors to disclose defensive measures being taken to defeat the bid are as follows:

Item 12

"Other Information. State the particulars of any other information not disclosed in the

foregoing (items in Form 32) but known to the directors which would reasonably be expected to affect the decision of the security holders of the offeree company to accept or reject the offer".

Item 13

"Recommending Acceptance or Rejection of a Take-Over Bid.

Where a board of directors of an offeree company is considering recommending acceptance or rejection of a take-over bid at the time of sending a directors' circular, state that fact and, if desired, advise the offerees not to tender their securities until a further communication is received from the directors and where a recommendation has been made at the time of sending a directors' circular, include such recommendation therein".

The statement made by the directors in the circular of September 8 pursuant to item 13 was succinct and to the point. They said:

"The Board of Directors of Royal Trustco unanimously recommends that the Offer be rejected as it is not in the best interests of the Royal Trust Group".

The situation with regard to item 12 is not so clear-cut. A shareholder of an offeree company has during the course of the bid a choice of three courses of action. He can tender to the offer, he can take advantage of the enhanced market price which usually happens following the announcement of an offer or he can do nothing. His decision will be influenced by his appreciation of whether the offer will succeed or fail and in that regard information regarding the defensive operations of a board of directors that has announced its firm intention to defeat the offer is obviously of great importance.

The language of item 12 of Form 32 raises subsidiary issues of basic significance. The first is to determine what is comprehended by the word "information". A second issue is whether information known to the directors would reasonably be expected to affect the decision of the security holders to accept or reject the offer. The Respondents submission takes exception to any allegation that information falling within the ambit of item 12 was known to the directors. Their argument

proceeds by stages. In the first place it is submitted that "the information contemplated by item 12 of Form 32 is material facts relating to the decision of the security holder of the target company to accept or reject the offer contained in the bid". Having identified the information required to be disclosed to be material facts the argument proceeds that such information as the directors had was neither material nor fact. Finally it is submitted that the information the directors had as to purchases of shares of Royal Trustco and the purpose underlying such purchases was transitory and inherently unreliable. It was submitted by the Respondents that it would be irresponsible to require the disclosure of such information even if it were potentially material.

It is quite evident that on September 8 the directors and necessarily the Respondents had information of some nature regarding the possible success or failure of the Campeau offer. In the exercise of their discretion they went a certain distance toward revealing the information by stating on page 8 of the Circular that:

"The directors and officers of Royal Trustco have been advised by a large number of persons acting independently that they intend to purchase shares of Royal Trustco in the market during the Offer Period. While all of the purposes of such purchasers are not known to the directors and officers, many have stated that their purposes include maintaining Royal Trustco as a public company not under the control of a single individual or corporation".

These are statements of fact and because they were included in the Circular it must be inferred that they were regarded as material and were not untrue or misleading. Moreover, the inference must be that this information was expected to and was indeed intended to affect the decision of security holders to accept or reject the offer.

As the extensive review of the evidence presented to the Commission found in the majority reasons, shows, the Respondents had more information regarding the purchase of shares of Royal Trustco than was revealed by them in the Circular. Counsel for the Respondents submitted that the directors had disclosed as much information as was required of them. Counsel for the Commission Staff submitted that the statement quoted above fell far short of the level of disclosure required by item 12 of Form 32. The ultimate question is whether the revelation of such further information as the directors may have had would have had such greater effect on

the security holders over and above the impact of the information already revealed, that the Respondents and directors were derelict in fulfilling their duty and obligation to the shareholders.

This is a punitive proceeding and fault should be clearly established. A review of the evidence of the officers of corporations that purchased shares of Royal Trustco on or before September 8 does not support a finding that on that date and other than with respect to the shares purchased by the Sun Life Assurance Company, Messrs. White and Scholes knew what shares had been purchased or had assurances that any shares that may have been so purchased would not be tendered on the offer. To put the matter another way the balance of probability is that Messrs. White and Scholes went as far as they reasonably could be expected to have gone in making the statement quoted earlier in these reasons and found on page 8 of the Circular.

A different situation prevails with regard to the document sent to the shareholders dated September 22. This document is not on its face described as a letter or circular or whatever. It carries at the top the name, address and analogue of Royal Trustco Limited under which is the name of Kenneth A. White, Chairman, President and Chief Executive Officer. It is signed "Yours faithfully, K.A. White" with a facsimile of his signature. It refers to "your directors" and "our previous advice". Whether the anomalous quality of the document was deliberate or inadvertent is not known to the Commission, Mr. White not having given evidence. The Commission Staff submitted that it should be treated either as in effect a Directors' Circular or an amendment to the earlier Directors' Circular of September 8 or if not that then as a Director's Circular within the meaning of section 96(3) of the Act which reads as follows:

"(3) An individual director or officer may recommend to the offerees acceptance or rejection of the take-over bid made to such offerees if the director or officer sends to each offeree with his communication a circular prepared in accordance with the regulations".

Section 66 of the Regulation prescribes Form 33 as the Director's Circular which requires substantially the same information as a Directors' Circular, Form 32. In particular, item 12 of Form 32 which is quoted above is repeated verbatim as item 11 of Form 33.

The Respondents submit that the document of September 22 was none of the above. They categorize it as follows:

"It is clear from the text of the letter in question that it is not a communication from White setting out his personal recommendation as a director or officer. It is rather a communication signed by White setting out the unanimous recommendation of the board of directors of Royal Trustco." (Submissions of the Respondents, page 46).

It is not satisfactory that the document should be left in this indeterminate condition and in my opinion it should be regarded as a Director's Circular. Certainly it was a circular in common parlance and it was sent out by Mr. White, a director, over his sole signature.

On that basis the question again arises whether the author, viz. Mr. White, had other information which could reasonably be expected to affect the decision of the security holders of the offeree company to accept or reject the offer. It can only be said on the strength of his own statements to the directors, that Mr. White on September 22 had such information.

The minutes of the executive committee meeting of September 11 contain the following entry:

"The present indications are that a minimum of 41% is absolutely firm and at least an additional one million shares are also firm. Accordingly, the Chairman expressed confidence that Campeau would be denied control".

The minutes of the meeting of the board of directors held on September 16 contain this entry:

"The Chairman then reported on the substantial support that had been afforded by numerous individuals and firms and expressed the view as a result of the investment made that Campeau Corporation would be unable to gain 51% of the outstanding shares".

At a special meeting of the directors on September 22 he is reported to have said:

"He stated that it was the intention to continue the strategy and the defences that had been used to date; it appeared that at least 60% of the issued capital would not be tendered but this could change and in addition, there was a

substantial number of shares in the hands of smaller shareholders".

The Respondents, and particularly Mr. White who signed the letter, should have realized that this was information which in some form should have been communicated to the shareholders as required by Form 33. Undoubtedly it would have been difficult to formulate the language to be employed for this purpose but the intent of the regulation is quite clear. The information was pertinent to the success or failure of the offer and in substance if not in detail should have been communicated to the shareholders. It is just this information which the Respondents thought desirable to bring to the attention of the officers of The Toronto-Dominion Bank on September 17. The Respondents were at fault in not recognizing their obligation to the shareholders at large.

A further ground of complaint with regard to the activities of the Respondents was as follows:

"6. On or about September 17, 1980, White and Scholes, both being in a special relationship with Royal Trustco, met with certain personnel of The Toronto-Dominion Bank and revealed to them, other than in the necessary course of business, certain material facts in relation to the affairs of Royal Trustco which had not been generally disclosed, including the following:

- (a) that approximately 60% of the shares of Royal Trustco were owned by persons or companies who White and Scholes knew or had reason to believe would not tender pursuant to the Bid, some or all of whom were named or otherwise identified, and
- (b) that Royal Trustco management was considering recommending to the Board that the dividends payable on Royal Trustco shares be increased".

Although not so indicated in the foregoing allegation, the statutory foundation for this complaint is found in section 75(1) of the Act which reads as follows:

"75.(1) No person or company in a special relationship with a reporting issuer shall,

- (a) purchase or sell securities of the reporting issuer with the knowledge of a material fact or material change in the affairs of the reporting issuer that he or it knew or ought reasonably to have known had not been generally disclosed; or

- (b) inform, other than in the necessary course of business, another person or company about a fact or change which he knows is a material fact or material change before the material fact or material change has been generally disclosed".

A material fact is defined in section 1(1)22 as follows:

"material fact" where used in relation to securities issued or proposed to be issued means a fact that significantly affects, or would reasonably be expected to have a significant effect on the market price or value of such securities".

The Staff submission with regard to the allegation paragraph 6(a) of the Notice of Hearing stated as follows (Staff Argument page 83):

"The evidence before the Commission indicated that the market price of Royal Trustco was significantly higher while the bid was outstanding than it was before or after the bid. The inference may therefore be drawn that if it had been generally disclosed that senior Royal Trustco management believed that sufficient shares were in the hands of persons who would not tender, this fact would be expected to have a significant effect on the market price of such securities. Therefore, in our submission this information constituted a 'material fact' within the meaning of the Act".

In reply to this allegation the counsel for the Respondents argued (Submissions page 50) that

"The event that triggers section 1(1)22 is a fact then in existence. The definition (of 'material fact') only becomes operative if such a fact exists and does or is likely to affect the present market price or value of the securities in question. The Section is in no way prospective".

and submitted that because the Respondents did not know as matter of certain information that 60% of the shares of Roy Trustco would not be tendered pursuant to the bid, there wa fact which could be communicated to the Bank and hence no infraction of the prohibition in section 75(1)(a).

The evidence with regard to the allegation in paragraph 6(a) was given by Alan Hockin, Executive Vice-President, Investments, of The Toronto-Dominion Bank. After being questioned at some length as to the information that had been given to him and to bank officials at the September 17 meeting with regard to the response of the shareholders to the bid he said at page 353 of the transcript of the evidence:

"Q. During the course of this meeting did Mr. White indicate his assessment of the Campeau take-over bid?

A. In general terms, yes, the way one does; you know, sort of "We think that so and so might tender, and we don't know about him ..." and this sort of thing".

After further questioning with regard to specific shareholders the evidence continues at page 356

"Q. Did he (Mr. White) add up all these figures of "they may" and "they may not" and come to a rough percentage total?

A. The rough percentage total which I recall was somewhere just under sixty percent would probably not tender.

A. Sixty percent would not tender?

A. Yes, that's right. But I repeat, this is very much guessing. There was nothing, we were not told "Yes, I think this one" or "not this" and it was very much his estimate, his guess as to what might happen".

Counsel for the Respondents argued, this was an "assessment not conveyed in precise terms but only as 'guessing' or estimate as to what might happen" and that "This evidence does not support the allegation that a statement of any fact was made in respect of persons who White and Scholes knew or had reason to believe would not tender". (Submission of the Respondents, page 81).

What Mr. White provided was nevertheless an assessment and as such had a factual quality in that it was a statement of events or things as they were. It was sufficiently certain to justify the Respondents in their own

minds, placing it before the Bank personnel. It must be assumed that the Respondents were not presuming on the time and goodwill of the President of the Bank by advancing mere phantasies or wishful thinking and also that in so doing they regarded the assessment or information they provided as sufficiently material to have an effect, which they were extremely anxious to achieve, on the Bank's decision. I can only conclude that the ground of complaint numbered 6(a) in the Notice of Hearing has been established.

I do not believe, however, that the evidence supports the allegation in paragraph 6(b) of the Notice of Hearing. All that appears to have been said by the Respondents in that regard is found in the evidence of Mr. Hockin at page 358 of the transcript of the evidence as follows:

"Q. Was there any discussion about a possible increase in dividends or development of dividends in the future?"

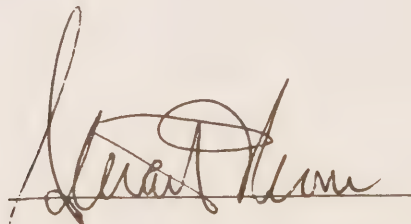
A. Once again, in general terms, the way one does when one talks to the senior executives of a company, that sort of thing, "This is how we have been able to perform in the past", and really, quite an historical review of how their earnings had developed and how their dividends had developed within that pattern, and the hope that they would go on doing better and better".

Q. What? In terms of there being a potential dividend increase?"

A. In terms of their having, continuing to show, an increase in earnings and continuing to show an increase in dividends".

This cannot be regarded as communication of material facts regarding the future dividend policy of Royal Trustco.

DATED at Toronto as of the 7th day of October, 1981.

A handwritten signature in dark ink, appearing to read "Stuart Hume", is written over a horizontal line.

REASONS FOR DISSENTING DECISION OF COMMISSIONER E. STUART MILES

I have had the opportunity of reviewing the findings of my colleagues and the conclusions reached based on those findings. While I am in agreement as to the facts found, I am not persuaded that Messrs. White and Scholes (and the other directors) were or should be obliged to make greater disclosure than was made.

In reaching this conclusion I have weighed the facts against two principles:

- (a) the "prudent man" approach, that is how should a prudent man, aware of the facts, conscientiously advised as to the requirements of take-over bid legislation, both The Securities Act and The Canada Business Corporations Act, have reasonably conducted himself under the circumstances?
- (b) what reasons would White and Scholes have to conceal the facts when to disclose them would clearly have assisted in defeating the bid?

The statement in the September 8 Directors' Circular that they had received advice from a large number of persons acting independently that they intended purchasing shares of Royal Trustco, many for the stated purpose of maintaining Royal Trustco as a public company not under the control of a single individual or corporation, it seems to me is all that could or prudently should be said under the circumstances. White and Scholes would appreciate that each purchaser must reconsider his position before the bid closed in the light of the circumstances then existing. But it was hardly in their interest to deprive shareholders of any information which might persuade the shareholder not to tender his shares. It is my conclusion that the shareholders were not deprived of material information which would assist them in making their decision whether to hold, sell or tender their shares.

Had they attempted to publish their estimates from time to time as to shares purchased and lodged in friendly hands unquestionably they would be met with accusations brought before the Commission of attempting to improperly influence shareholders not to tender their shares. They were acting on the advice of Mr. Robertson and their other legal advisors.

It may be that something similar to Rule 31 of the London City Take-Over Code would be helpful in cases such as the present one. This provides,

"...all parties to a take-over or merger transaction (other than a partial offer) and associates are free to deal (trade) subject to daily disclosure to the Stock Exchange, the Panel and the press (not later than 12 noon on the (trading) day following the date of the transaction) of the total of all shares of any offeror or offeree company purchased or sold by them or their respective associates for their own account on any day during the offer period in the market or otherwise and at what price."

This would cover disclosure by all parties to the take-over, the offeror and the offeree.

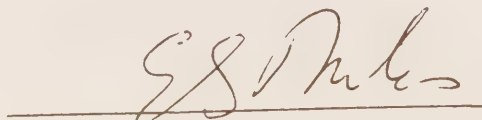
As to the Letter of September 22 I agree with my colleagues this must effectively be regarded as a supplement to the Directors' Circular of September 8. While more information may have been available to White and Scholes I find the disclosure made prudent and reasonable for the reasons given above.

As to the issue of "tipping" White and Scholes did meet with senior officers of T.D. on September 17. During that meeting White advised the T.D. officers of his then assessment as to the percentage of shares which would not be tendered, naming several large corporations including T.D. and Oxford Development in his assessment. White also discussed, in general terms, anticipated earnings and the future dividend policy of Trustco. Scholes appears to be a silent participant at this meeting.

White's knowledge of the extent of the holdings of these large shareholders of Royal Trustco was reasonably precise by this time. White had no assurances that they would not tender. White could only conjecture as to what each holder would do. Since it was conjecture and not fact I do not find that there has been a violation of section 75. As to the dividend policy discussion it was no more than that, a review of what the policy had been and an indication that management had no reason to recommend any change.

Under the circumstances I do not find the conduct of Messrs. White and Scholes contrary to the public interest and would therefore impose no sanctions on either of them under section 124 of the Act.

DATED at Toronto as of the 7th day of October, 1981.



NOTE: A copy of the Order issued by the Commission in these proceedings is reproduced in OSCB 1981, Volume 2, page 171B.

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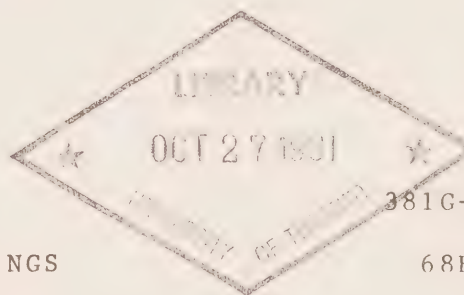
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NOTICES

COMMISSION PERSONNEL

The Commission is pleased to announce that Mrs. Heidi Akhtar, presently employed by the Commission as a Financial Examiner has recently been awarded the designation of Certified General Accountant.

Continuing with the Commission's rotation programme for private sector employees, Constance Lorie Sugiyama, LL.B. of the firm of Fasken & Calvin, Barristers & Solicitors will join the Commission for a period of twelve months. Ms. Sugiyama will spend time in the Enforcement and Corporate Finance Branches of the Commission. The cooperation of Fasken & Calvin in this program is most appreciated.

IN THE MATTER OF THE COMMODITY FUTURES ACT,
R.S.O. 1980, CHAPTER 78

AND

IN THE MATTER OF THE SECURITIES ACT,
R.S.O. 1980, CHAPTER 466

AND

IN THE MATTER OF G. KRAEMER ENTERPRISES INC.,
GERHARD KRAEMER AND VLADIMIR MOTLIK
AND JAN (JOHN) HOGENKAMP

NOTICE OF HEARING

(Section 24(1)) of The Commodity Futures Act)
(Section 124(1) of the Securities Act)

TAKE NOTICE that the Ontario Securities Commission will hold a hearing pursuant to Section 24(1) of the Commodity Futures Act, R.S.O. 1980, c.78, and Section 124(1) of the Securities Act, R.S.O. 1980, c.466, at its offices on the 6th Floor, 10 Wellesley Street East, Toronto on Friday, the 16th day of October, 1981, at 10:30 o'clock in the forenoon, or so soon thereafter as the hearing can be held to consider:

A. Whether it is in the public interest to order pursuant to Section 24(1) of the Commodity Futures Act that the registration of G. Kraemer Enterprises Inc. as an introducing broker and the registrations of Gerhard Kraemer and Vladimir Motlik as officers of G. Kraemer Enterprises Inc. should be suspended, cancelled or restricted or whether terms and conditions should be imposed upon such registrations or whether such registrants should be reprimanded;

B. Whether it is in the public interest to order pursuant to Section 124(1) of the Securities Act that any or all of the exemptions contained in Sections 34, 71, and 72 of the Act do not apply to Jan (A.K.A John) Hogenkamp;

by reason of the following allegations:

1. At all material times and pursuant to the provisions of the Commodity Futures Act, R.S.O. 1980, c.78, G. Kraemer Enterprises, Inc. ("Kraemer Enterprises") was registered as an introducing broker, Gerhard Kraemer ("Kraemer") was registered as an officer of Kraemer Enterprises, and Vladimir Motlik ("Motlik") was registered, prior to November 6, 1980 as a salesman employed by Kraemer Enterprises, and after November 6, 1980 as an officer of Kraemer Enterprises.

2. On or about March 25, 1980 Jan (A.K.A. John) Hogenkamp ("Hogenkamp") was dismissed for cause from ContiCommodity Services (Canada), Ltd. ("Conti") where he had been employed as a commodity salesman. On or about April 22, 1980, Hogenkamp applied to the Ontario Securities Commission (the "Commission") to be registered as a salesman at Kraemer Enterprises. At the same time Kraemer Enterprises submitted a Certificate of Intended Employer with respect to Hogenkamp to the Commission.

3. On July 24, 1980 the Commission issued a Notice of Hearing with respect to Hogenkamp's fitness for registration. At Hogenkamp's request the hearing was adjourned sine die on August 12, 1980. The said hearing has not yet been held. Hogenkamp's registration lapsed on November 2, 1980.

4. From on or about June 16, 1980 to on or about March 1981, Hogenkamp traded commodity futures as a salesman with the knowledge and consent of Kraemer and Motlik through the facilities of Kraemer Enterprises, and in particular:

(1) On or about June 16, 1980, Hogenkamp opened a trading account in his own name at Kraemer Enterprises.

(2) Motlik, who approved the opening of Hogenkamp's account, was aware of Hogenkamp's unsatisfactory credit background. Both Kraemer and Motlik knew that Hogenkamp's registration as a salesman was suspended due to his dismissal from Conti. Motlik was also aware of the allegations against Hogenkamp contained in the Notice of Hearing referred to in paragraph 3 herein.

(3) From the time Hogenkamp opened his account until the account was closed in March, 1981, Hogenkamp was given the use of an office with a desk, telephone and a video monitor. Hogenkamp effected a large volume of trading by placing orders either through Motlik or through Steve Kuzyk, a salesman with whom Hogenkamp shared his office.

(4) During the time when Hogenkamp traded through the facilities of Kraemer Enterprises, and without filing a preliminary prospectus or a prospectus or obtaining receipts therefor, Hogenkamp sold investment contracts to the public, and in particular

(a) Hogenkamp solicited and obtained money from members of the public in Ontario for the stated purpose of investing in a commodity futures pooling scheme.

(b) Hogenkamp was also associated with a person known as Gary Oort and other persons in an enterprise styled the Macron Group ("Macron") which though unregistered with the Commission solicited and obtained money from members of the public in St. Catharines, Hamilton, Timmins, Vancouver and other places for the stated purpose of investing in a commodity futures pooling scheme.

(c) Some of the money so obtained by Hogenkamp and Macron was employed by Hogenkamp in trading his account at Kraemer Enterprises.

(5) Having regard to Hogenkamp's unsatisfactory credit background and his activities in the offices of Kraemer Enterprises, Kraemer and Motlik knew or ought to have known that Hogenkamp was trading on behalf of persons other than himself. As a result of allowing Hogenkamp to represent himself to the public as a salesman, members of the public sustained losses amounting to hundreds of thousands of dollars.

5. (a) The activities of Kraemer, Motlik and Kraemer Enterprises as alleged in paragraph 4 herein was contrary to the public interest and fell below the standard of conduct that may reasonably be expected of registrants.

(b) Hogenkamp's activities as alleged in paragraph 4 herein were of such a nature that it is in the public interest that he be denied the exemptions contained in Sections 34, 71 and 72 of the Securities Act.

AND TAKE NOTICE that any party to the proceedings may be represented by counsel of his choice at the Hearing if he attends or submits evidence thereat.

AND TAKE NOTICE that upon failure of any party to attend at the time and place aforesaid, the Hearing may proceed in his absence and he is not entitled to any further notice in the proceedings.

1st October, 1981.

"Julie-Luce B. Farrell"

P.S. Please note Hearing date has been changed to October 22, 1981 at 3:30 p.m.

IN THE MATTER OF GENSTAR CORPORATION

TAKE NOTICE that the Ontario Securities Commission (the "Commission") will hold a hearing pursuant to subsection 124(2) of the Securities Act, R.S.O. 1980, c. 466 (the "Act") at its offices on the 6th floor, 10 Wellesley Street East, Toronto on Wednesday, October 28, 1981 at 1:30 o'clock in the afternoon (local time), or so soon thereafter as the hearing can be held, to consider whether it is in the public interest to order pursuant to subsection 124(1) of the Act that any or all of the exemptions contained in sections 34, 71, 72 and 88 do not apply to GENSTAR CORPORATION ("Genstar") by reason of the following allegations:

1. On July 6, 1981 Genstar made a take-over bid (the "Bid") for shares of Canada Permanent Mortgage Corporation ("Canada Permanent") at prices of \$31 cash per common share and \$36.90 cash per 6 3/4% Tax Deferred Convertible Preference Share Series A ("Series A share") of Canada Permanent. Genstar's stated purpose in making the Bid was to acquire all of the issued and outstanding common shares and Series A shares.

2. Through the Bid which expired July 31, 1981 Genstar acquired 2,916,278 common shares and 260,652 Series A shares of Canada Permanent, constituting approximately 39% of the issued and outstanding common shares on a fully converted basis.

3. Pursuant to an agreement (the "Agreement") dated August 7, 1981, Genstar purchased from First City Financial Corporation Ltd. ("First City") on August 10, 1981 all of First City's 4,485,445 common shares of Canada Permanent at a price of \$35 cash per share and all of its 45,400 Series A shares at a price of \$41.65 cash per share.

4. Genstar has stated that it does not intend to pay to those security holders of Canada Permanent who tendered their securities under the Bid the additional consideration of \$4 cash per common share and \$4.75 cash per Series A share paid to First City pursuant to the Agreement.

5. The Bid and the Agreement are linked or integrally related in law, and therefore Genstar's conduct as herein described is in breach of subsection 89(3) of the Act.

AND TAKE NOTICE that Genstar may be represented by counsel of its choice at the hearing if it attends or submits evidence thereat.

AND TAKE NOTICE that upon failure of Genstar to attend at the time and place aforesaid, the hearing may proceed in its absence and Genstar is not entitled to any further notice in the proceedings.

DATED at Toronto this 14th day of October, 1981.

"Julie-Luce B. Farrell"

THESE PAGES REPLACE 171B AND 172B IN
BULLETIN VOLUME 2 #13/81

DECISIONS, ORDERS AND RULINGS

IN THE MATTER OF THE SECURITIES ACT, 1978
S.O. 1978, CHAPTER 47 AND AMENDMENTS THERETO

AND

IN THE MATTER OF ROYAL TRUSTCO LIMITED,
KENNETH ALAN WHITE AND JOHN MERTON SCHOLES

ORDER
(Section 124(1))

UPON the Ontario Securities Commission (the "Commission") on November 25, 1980, having issued a Notice of Hearing pursuant to section 124(2) of The Securities Act, 1978, S.O. 1978, c.47, as amended (the "Act"), to determine whether it should make an order pursuant to section 124(1) of the Act that any or all of the exemptions contained in sections 34 and 88 of the Act do not apply, or upon what terms and conditions such exemptions should continue to apply to Royal Trustco Limited ("Royal Trustco"), Kenneth Alan White ("White") and John Merton Scholes ("Scholes");

AND UPON having heard the evidence adduced at the hearing and the submissions of counsel for the Commission staff and for the respondents;

AND UPON the Commission having given reasons dated as of October 7, 1981, for its decision herein;

AND UPON having considered the written submissions as to penalty by counsel for the Commission staff and for the respondents;

AND UPON having formed the opinion that the making of this order is in the public interest;

IT IS ORDERED pursuant to section 124(1) of the Act that:

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1. The exemptions contained in section 34(1) of the Act shall not apply to White for 60 consecutive days following Sunday, October 18, 1981;
2. The exemptions contained in section 34(1) of the Act shall not apply to Scholes for 30 consecutive days following Sunday, October 18, 1981; and
3. No sanction shall be imposed against Royal Trustco.

DATED at Toronto this 8th day of October, 1981.

"Henry J. Knowles"
"R.T. Morgan"
"E.S. Miles"
"Geddes M. Webster"

"Harry S. Bray"
"W.A. Simonton"
"Stuart Thom"

DECISIONS, ORDERS AND RULINGS

PAGEBROOK-BLOOR PARTNERSHIP

UPON the application of Pagebrook-Bloor Partnership (the "Partnership"), received February 3, 1981 and perfected September 14, 1981, to the Ontario Securities Commission (the "Commission") pursuant to section 79(b)(iii) of the Securities Act, R.S.O. 1980, c.466 (the "Act");

AND UPON the Commission being of the opinion that to grant this order would not be prejudicial to the public interest and being satisfied in the circumstances of this particular case that there is adequate justification for so doing;

IT IS ORDERED pursuant to section 79(b)(iii) of the Act, that the Partnership be and hereby is exempted from the requirements of the Act to file pursuant to section 76 and from the requirement to send pursuant to section 78 of the Act, interim financial statements for each first and third interim financial period of each financial year of the Partnership provided that:

1. At each annual general meeting of limited partners (the "Limited Partners") of the Partnership, the Limited Partners, by ordinary resolution (the "Resolution"), ratify the making by Pagebrook-Bloor Holdings Inc. (the "General Partner") of the application for this order and approve the decisions of the General Partner, or any successor thereof as General Partner, made in reliance upon this order, not to file with the Commission and not to send to holders of securities of the Partnership, interim financial statements for first and third interim financial periods of the Partnership ended before the next annual general meeting of Limited Partners;
2. The Resolution is adopted in accordance with the provisions of the Partnership's Limited Partnership Agreement, dated March 17, 1980, and made between the General Partner and the Limited Partners and the result of the vote on the Resolution is reported in writing to the Commission within three business days of the taking of such vote;

3. Subject to condition 4, the exemptions provided by this order have force and effect concerning first and third interim financial periods of the Partnership ended before the first annual general meeting of Limited Partners and thereafter have force and effect concerning first and third interim financial periods next following each annual meeting of Limited Partners at which the Resolution is adopted;
4. The exemptions provided by this order terminate forthwith upon the occurrence of any material change in the affairs of the Partnership unless, upon further application, the Commission determines that the exemptions should continue;
5. Pagebrook Management Inc. and the General Partner file with the Commission an undertaking addressed to the Commission which undertaking provides that, to induce the Commission to make this order, they jointly and severally undertake to cause the Partnership to comply with the requirements of Part XVII of the Act, as modified by this order, with the requirements of Part XVIII of the Act, and with the terms and conditions of this order and to effect compliance therewith in the event of default by the Partnership.

DATED at Toronto this 1st day of October, 1981.

"R. T. Morgan"

"Stuart Thom"

PREMIER COMMUNICATIONS LIMITED

UPON the application initially received March 12, 1981 and perfected September 25, 1981, of Premier Communications Limited ("Premier") to the Ontario Securities Commission (the "Commission") for an order pursuant to sections 79(b)(iii) and 82 of the Securities Act, R.S.O. 1980, c.466 (the "Act");

And upon it being represented that Premier now has fewer than fifteen security holders resident in Ontario;

And Upon the Commission being satisfied that to grant this order would not be prejudicial to the public interest;

It is ordered pursuant to section 79(b)(iii) of the Act that Premier be and hereby is exempted from the requirement to file with the Commission its interim financial statements for the six-month period ending February 28, 1981; and (

It is ordered pursuant section 82 of the Act that premier be and hereby is deemed to have ceased to be a reporting issuer for the purposes of the Act for so long as it shall have fewer than fifteen security holders whose latest address as shown on the books of Premier is in Ontario.

DATED at Toronto this 30th day of September 1981.

"Henry J. Knowles"

"R. T. Morgan"

IN THE MATTER OF PAGEBROOK GULF STREET PARTNERSHIP

UPON the application of Pagebrook Gulf Street Partnership (the "Partnership"), received February 3, 1981 and perfected September 14, 1981, to the Ontario Securities Commission (the "Commission") pursuant to section 79(b)(iii) of the Securities Act, R.S.O. 1980, c.466 (the "Act");

AND UPON the Commission being of the opinion that to grant this order would not be prejudicial to the public interest and being satisfied in the circumstances of this particular case that there is adequate justification for so doing;

IT IS ORDERED pursuant to section 79(b)(iii) of the Act, that the Partnership be and hereby is exempted from the requirements of the Act to file pursuant to section 76 and from the requirement to send pursuant to section 78 of the Act, interim financial statements for each first and third interim financial period of each financial year of the Partnership provided that:

1. At each annual general meeting of limited partners (the "Limited Partners") of the Partnership, the Limited Partners, by ordinary resolution (the "Resolution"), ratify the making by Pagebrook-Gulf Street Inc. (the "General Partner") of the application for this order and approve the decisions of the General Partner, or any successor thereof as General Partner, made in reliance upon this order, not to file with the Commission and not to send to holders of

securities of the Partnership, interim financial statements for first and third interim financial periods of the Partnership ended before the next annual general meeting of Limited Partners;

2. The Resolution is adopted in accordance with the provisions of the Partnership's Limited Partnership Agreement, dated October 25, 1979, and made between the General Partner and the Limited Partners and the result of the vote on the Resolution is reported in writing to the Commission within three business days of the taking of such vote;

3. Subject to condition 4, the exemptions provided by this order have force and effect concerning first and third interim financial periods of the Partnership ended before the first annual general meeting of Limited Partners and thereafter have force and effect concerning first and third interim financial periods next following each annual meeting of Limited Partners at which the Resolution is adopted;
4. The exemptions provided by this order terminate forthwith upon the occurrence of any material change in the affairs of the Partnership unless, upon further application, the Commission determines that the exemptions should continue;
5. Pagebrook Management Inc. and the General Partner file with the Commission an undertaking addressed to the Commission which undertaking provides that, to induce the Commission to make this order, they jointly and severally undertake to cause the Partnership to comply with the requirements of Part XVII of the Act, as

modified by this order, with the requirements of Part XVIII of the Act, and with the terms and conditions of this order and to effect compliance therewith in the event of default by the Partnership.

DATED at Toronto this 1st day of October, 1981.

"R. T. Morgan"

"Stuart Thom"

IN THE MATTER OF ABERFORD RESOURCES LTD.

UPON the application, received and perfected on October 5, 1981, of Aberford Resources Ltd. (the "Purchaser") to the Ontario Securities Commission (the "Commission") pursuant to paragraph (e) of section 99 of the Securities Act, R.S.O. 1980, c.466 (the "Act");

AND UPON it appearing that:

1. the Purchaser is a corporation incorporated under the laws of Alberta and is not a reporting issuer within the meaning of the Act;
2. by order dated July 6, 1981 pursuant to paragraph (e) of section 99 of the Act the Commission, upon and subject to the conditions set forth in such order, exempted a take-over bid (the "Prior Bid") by the Purchaser for all the shares of all classes, issued or to be issued, of Aberford Resources Corporation ("Aberford"), a corporation incorporated under the laws of Canada which is not a reporting issuer within the meaning of the Act;
3. the Purchaser has represented that it did not take up any shares of Aberford pursuant to the Prior Bid because the condition thereof relating to a concurrent private placement of shares of the Purchaser was not fulfilled;
4. the Purchaser has represented to the Commission that it proposes a transaction involving steps, conditional one on the other, pursuant to which it will:
 - (a) acquire from Marline Oil Corporation all of its oil and gas assets in Canada in exchange for cash and non-voting shares of the Purchaser;
 - (b) issue units consisting of one common share and one common share purchase warrant on a private placement basis to investors in Canada pursuant to a confidential private offering memorandum (the

"Offering Memorandum"), in order to assist in raising the cash payable on the above-mentioned acquisition of assets; and

- (c) offer, pursuant to an offer and accompanying offering circular (which incorporates the Offering Memorandum), a draft copy of which has been submitted to the Commission (the "Draft Exchange Material"), to acquire from the shareholders of Aberford, in exchange for common shares of the Purchaser, all of the outstanding common shares of Aberford and all of the preferred shares of Aberford issued and to be issued in consideration for the incurrence of drilling expenditures (the "Exchange Offer");
- 5. the transaction, including the Exchange Offer, described above is on substantially the same terms and conditions as the transaction involving the Prior Bid; and
- 6. Aberford has outstanding 180,410 common share held by 52 registered shareholders, six of whom reside in Ontario and hold in the aggregate 6,000 such shares (3.3%) and seven of whom are Alberta limited partnerships holding in the aggregate 16,000 such shares (8.8%), five partners of which partnerships reside in Ontario;

AND WHEREAS the Commission is of the opinion that it is not prejudicial to the public interest to do so;

IT IS HEREBY ORDERED, pursuant to paragraph (e) of section 99 of the Act, that the Exchange Offer is exempted from the requirements of Part XIX of the Act, including the requirements to mail to shareholders of Aberford and to file with the Commission a take-over bid circular in respect of the Exchange Offer, on the conditions that:

- 1. the Purchaser forward to each shareholder of Aberford, by prepaid mail, courier or personal delivery, material substantially in the form of the Draft Exchange Material (including the Offering Memorandum) and in any

event in compliance in all material respects with the conditions set forth in the order of the Commission dated July 6, 1981 in respect of the Prior Bid; and

in compliance in all material respects with the conditions set forth in the order of the Commission dated July 6, 1981 in respect of the Prior Bid; and

2. concurrently with the forwarding of the material referred to in paragraph 1 above, the Purchaser file the same with the Commission.

DATED at Toronto this 6th day of October, 1981.

"Henry J. Knowles"

"Harry S. Bray"

IN THE MATTER OF BC SUGAR REFINERY, LIMITED

UPON the application, initially received June 5, 1981, of BC SUGAR REFINERY, LIMITED ("BC Sugar") to the Ontario Securities Commission (the "Commission") pursuant to Section 99(e) of the Securities Act, R.S.O. 1980, c.466 (the "Act") for an order exempting BC Sugar from the requirements of Part XIX of the Act;

AND UPON BC Sugar representing that:

1. BC Sugar is a corporation incorporated under the laws of Canada and continues, as of May 22, 1979, under the Canada Business Corporations Act;
2. As of September 30, 1980, BC Sugar had authorized capital of 124,000 5% cumulative redeemable preference shares (the "5% preference shares") and an unlimited number of preferred shares and an unlimited number of Class "A" convertible common shares and Class "B" convertible common shares of which there are issued and outstanding: (i) 106,000 5% preference shares with stated capital of \$2,120,000; (ii) 2,400,000 Class "A" common shares and Class "B" common shares with stated capital of \$4,000,000;
3. BC Sugar's Class "A" common shares, class "B" common shares and 5% preference shares are listed on the Toronto Stock Exchange and the Vancouver Stock Exchange;
4. Eighty-two per cent of BC Sugar's 5% preference shareholders are resident in British Columbia;
5. BC Sugar proposes to offer to purchase all 5% preference shares held by shareholders who hold less than 100 of the said 5% preference shares on terms as disclosed in a letter to shareholders and letter of acceptance and transmittal attached as Schedule "A" to the application to the Commission;

AND UPON the Commission being of the opinion that it would not be prejudicial to the public interest to grant this order;

IT IS ORDERED pursuant to section 99(e) of the Act that BC Sugar be and hereby is exempted from the requirements of sections 89, 90, 95(2) and 98 of the Act with respect to the issuer bid provided that the letter to shareholders attached as Schedule "A" to the application to the Commission shall be deemed to be an issuer bid circular for the purposes of Part XIX of the Act.

DATED at Toronto this 31st day of August, 1981.

"R. T. Morgan"

"Harry S. Bray"

IN THE MATTER OF B-E ACQUISITIONS, INC.

AND

IN THE MATTER OF WESTERN GEAR CORPORATION

UPON the application of B-E Acquisitions, Inc. (the "Applicant") to the Ontario Securities Commission (the "Commission") pursuant to section 99(e) of the Securities Act, R.S.O. 1980, C. 466, (the "Act") for an order exempting it from the requirements of Part XIX of the Act;

AND UPON it appearing that:

1. The Applicant is a corporation incorporated under the laws of the State of Delaware and is an indirect wholly-owned subsidiary of Bucyrus-Erie Company ("B-E"), a corporation incorporated under the laws of the State of Delaware;
2. Western Gear Corporation ("Western Gear") is a corporation incorporated under the laws of the State of Washington;
3. None of the Applicant, B-E and Western Gear is a reporting issuer for the purposes of the Act;
4. The Applicant intends to make an offer (the "Offer") to purchase for cash any and all outstanding shares of common stock (the "Shares") of Western Gear in full compliance with the federal securities laws of the United States of America; and
5. There are resident in Ontario 2 holders of Shares of Western Gear holding 225 (.004%) of the 6,114,662 Shares outstanding;

AND UPON the Commission being of the opinion that to do so would not be prejudicial to the public interest;

IT IS ORDERED pursuant to section 99(e) of the Act that the Applicant be and hereby is exempted from the requirements of Part XIX of the Act with respect to the Offer provided that all material sent to

securityholders of Western Gear resident in the United States of America in connection with the Offer shall be filed with the Commission and sent to securityholders of Western Gear resident in Ontario.

DATED at Toronto as of this 26th day of August, 1981.

"Henry J. Knowles"

"Harry S. Bray"

IN THE MATTER OF FRIEDBERG MERCANTILE GROUP

UPON the application, initially received on August 5, 1981 and perfected August 31, 1981, of Friedberg Mercantile Group ("Friedberg"), a general partnership comprised of A. D. Friedberg, Inc. and Friedco Securities Limited, both corporations having been incorporated pursuant to the laws of the Province of Ontario, to the Ontario Securities Commission (the "Commission") for an order pursuant to Section 38 of the Commodity Futures Act, R.S.O. 1980, c.78 (the "Act") granting Friedberg an exemption, in respect of its registration, from the need to comply with the provisions of Section 30(2) of Ontario Regulation 430/79, and permitting Friedberg, to effect trades for both non-discretionary accounts and discretionary accounts through one customers' omnibus account, to be maintained with each clearing broker, separated in each case from the principals' omnibus account;

AND UPON the Commission being satisfied that to grant this order would not be prejudicial to the public interest;

IT IS ORDERED pursuant to Section 38 of the Act that Friedberg be granted an exemption, in respect of its registration from the need to comply with the provisions of Section 30(2) of Ontario Regulation 430/79 and that Friedberg be permitted to effect trades for both non-discretionary accounts and discretionary accounts through one customers' omnibus account to be maintained with each clearing broker, separated in each case from the principals' omnibus account.

DATED at Toronto this 8th day of October, 1981.

"A. T. Holland"

"E. S. Miles"

"G. M. Webster"

IN THE MATTER OF FIRST CITY FINANCIAL CORPORATION LTD.
and 240083 B.C. LTD.

UPON the application of First City Financial Corporation Ltd. ("First City"), received September 11, 1981, perfected September 14, 1981 and supplemented on September 28, 1981, on behalf of itself and its board of directors and on behalf of its wholly owned subsidiary, 240083 B.C. Ltd. ("240083"), to the Ontario Securities Commission (the "Commission") pursuant to section 99 of the Securities Act, R.S.O. 1980, c. 466 (the "Act");

AND UPON it appearing that:

1. Each of First City and 240083 is a corporation subject to the laws of British Columbia;
2. Pursuant to a take-over bid circular dated May 22, 1981, First City made a take-over bid for securities of Canada Permanent Mortgage Corporation ("Canada Permanent") which take-over bid expired on July 6, 1981 (the "First City Bid");
3. First City purchased further common shares of Canada Permanent for a purchase price of \$32.50 cash per share by way of private agreements (the "Agreements") entered into on July 14, 1981 which purchases, pursuant to clause 88(2)(c) of the Act, were exempt from the requirements of Part XIX of the Act, save and except subsection 91(1) of the Act;
4. At a public hearing held by the Commission on July 21, 1981 pursuant to a notice of hearing issued by the Commission on July 20, 1981, First City undertook to the Commission to make a follow-up offer to security holders of Canada Permanent pursuant to subsection 91(1) of the Act at and for a consideration at least equal in value to \$32.50 per common share of Canada Permanent;
5. Pursuant to an agreement entered into on August 7, 1981 First City sold to Genstar Corporation all of its holdings of securities of Canada Permanent at prices of \$35 cash per common share and \$41.65 cash per 6 3/4% Tax Deferred Convertible Preference Share Series A of Canada Permanent;

6. Genstar Corporation has offered to acquire all issued and outstanding securities of Canada Permanent not already owned by it at prices of \$35 cash per common share and \$41.75 cash per 6 3/4% Tax Deferred Convertible Preference Share Series A of Canada Permanent; and
7. 240083 proposes to make a take-over bid (the "Bid") limited to those registered holders ("Offerees") of securities of First City who acquired such securities by depositing their previously held securities of Canada Permanent under the First City Bid and limited to the securities of First City so acquired at prices equivalent to approximately \$32.50 cash per common share and approximately \$37.06 cash per 6 3/4% Tax Deferred Convertible Preference Share Series A of Canada Permanent so deposited;

AND UPON the Commission being of the opinion that it would not be prejudicial to the public interest to do so;

IT IS ORDERED THAT:

1. Pursuant to section 99(e) of the Act, 240083 be and hereby is exempted from the requirements of paragraph 89(1)1 of the Act and from the requirements of subsection 91(3) of the Act in connection with the Bid, provided that:
 - (a) 240083 sends the Bid and take-over bid circular relating thereto to all Offerees whose last address on the books of First City is in Ontario; and
 - (b) all Offerees holding the same class of securities of First City shall be offered the same consideration and no collateral agreement with any Offerees shall have the effect, directly or indirectly, of offering such Offerees a consideration of greater value for their securities than that offered to the other Offerees holding the same class of securities;

2. Pursuant to section 99(e) of the Act, the board of directors of First City be and hereby is exempted from the requirements of section 96 of the Act provided that 240083 complies with the requirements of Commission Policy No. 3-37 (except for the requirement that 240083 prepare a valuation of First City if such requirement is waived by the Director pursuant to such Policy) in connection with the Bid; and
3. Pursuant to section 99(e) of the Act, First City be and hereby is exempted from its obligation to comply with subsection 91(1) of the Act as a result of its purchases of common shares of Canada Permanent pursuant to the Agreements.

DATED at Toronto as of the 28th day of September, 1981.

"Henry J. Knowles"

"Stuart Thom"

IN THE MATTER OF SANDS OIL & GAS
EXPLORATION LIMITED

UPON the application of Sands Oil & Gas Exploration Limited ("Sands"), an Ontario corporation, for an order under clause (e) of section 99 of the Securities Act, R.S.O. 1980, c. 466 (the "Act"), that Sands be exempted from the requirements of section 91(1) of the Act with respect to certain proposed purchases of shares described more particularly below:

1. Sands filed and perfected its application on July 24, 1981 and supplemented that application by letter dated August 28, 1981;
2. Pursuant to an agreement (the "Agreement") made as of May 7, 1981 Sands has agreed to purchase from A.C. Macpherson & Co. Limited ("Macpherson") for an aggregate unallocated consideration of \$85,000 certain shares (the "Shares") in Jaridge Explorations Inc. ("Jaridge"), Midpines Explorations Inc. ("Midpines"), Hilltop Minerals Limited ("Hilltop") and Geolex Resources Limited ("Geolex") each of which corporations is an Ontario reporting issuer;
3. Sands proposes to purchase from Macpherson 884,741 common shares of Jaridge, 60,950 common shares of Midpines, 20,100 common shares of Hilltop, and 242,318 common shares of Geolex representing respectively 46.16%, 5.5%, 2%, and 20.03% of the outstanding voting securities of each such issuer;
4. The Agreement does not in the circumstances constitute a take-over bid within the meaning of the Act in respect of either Hilltop or Midpines;
5. Sands has represented that, to the best of its knowledge, there has been no published market for securities of Jaridge;
6. Sands has represented that a published over-the-counter market for securities of Geolex has existed only sporadically, and that trading in securities of Geolex occurred on only two of the ten trading days immediately preceding the date of the Agreement; and

7. Each of Jaridge, Midpines, Hilltop and Geolex is substantially inactive, and Sands has represented that it proposes to convert such corporations into active concerns to the probable benefit of the security holders of each such corporation;

AND UPON the Ontario Securities Commission being of the opinion that it would not be prejudicial to the public interest to do so;

IT IS ORDERED pursuant to section 99(e) of the Act that Sands be and hereby is exempted from the obligation to comply with subsection (1) of section 91 of the Act as a result of the purchase of the Shares pursuant to the Agreement.

DATED at Toronto this 2nd day of October, 1981.

"Henry J. Knowles"

"Stuart Thom"

IN THE MATTER OF ROCK ORE EXPLORATION &
DEVELOPMENT LTD.

UPON it appearing that the Order and Ruling of the Ontario Securities Commission dated the 17th day of July, 1981 and entitled "In The Matter of Rock Ore Exploration & Development Ltd." contained a typographical error;

IT IS ORDERED that the said Order and Ruling be varied by replacing the figures "\$0.08" where they appear in paragraph G thereof with the figures "\$0.03".

DATED this 28th day of August, 1981.

"Henry J. Knowles"

"Harry S. Bray"

IN THE MATTER OF DRUG TRADING COMPANY LIMITED

UPON the application by Drug Trading Company Limited ("Drug Trading") under Section 73 of the Securities Act, R.S.O. 1980, c.466 (the "Act") to the Ontario Securities Commission (the "Commission") for a ruling that certain trades in securities of Drug Trading are not subject to Sections 24 or 52 of the Act;

AND UPON reading the application and the recommendation of the Commission's staff;

AND UPON the Commission being satisfied that so to rule would not be prejudicial to the public interest;

IT IS RULED THAT pursuant to Section 73 of the Act that:

- (a) the issue by Drug Trading of its common shares to any person or company that has entered into business arrangements with Drug Trading whereby Drug Trading agrees to provide certain services to the pharmacy business operated by that person or company (a "Member"),
- (b) the sale of common shares of Drug Trading by a holder thereof to any Member, and
- (c) the issue by Drug Trading of non-transferable promissory notes which are payable within one year or less or on demand to the holders of its common shares.

are not subject to Sections 24 or 52 of the Act, provided that:

- (1) Every Member proposing to transfer any shares of Drug Trading shall give notice in writing to Drug Trading and shall constitute Drug Trading his agent for the sale of such shares in accordance with the articles of Drug Trading;
- (2) No person shall become a shareholder of Drug Trading unless he is authorized to operate a pharmacy in the jurisdiction in which he is resident, except for the legal personal representative of a deceased shareholder;

- (3) Drug Trading shall provide a copy of this ruling to each shareholder and to each prospective Member; and
- (4) All certificates or common shares of Drug Trading issued on or after the date of this ruling shall be inscribed with a legend indicating that every disposition of such common shares by the holder thereof is prohibited except in accordance with this ruling or with the prior written consent of the Commission.

DATED at Toronto this 28th day of August, 1981.

"Henry J. Knowles"

"Harry S. Bray"

IN THE MATTER OF ACRES INCORPORATED

UPON the application of Acres Incorporated ("Acres"), a corporation incorporated under the laws of Ontario, to the Ontario Securities Commission (the "Commission") pursuant to section 73 of the Securities Act, R.S.O. 1980, c.466 (the "Act") in respect of certain trades in the common shares of Acres, received March 6, 1981;

AND UPON it appearing to the Commission that:

All the issued and outstanding common shares of Acres are held by or for the benefit of employees of Acres or its affiliates (the "Employees"); and

The issue and transfer of the common shares of Acres is restricted by a unanimous shareholders' agreement made as of April 6, 1976, as amended, and consolidated by agreement dated November 14, 1980 (the "Shareholders' Agreement"), to which each Employee and each Corporation all the shares of which are beneficially owned by an Employee (an "Employee Private Holding Corporation") who or which is a shareholder of Acres, the Acres Employee Shareholder Trust (the "Trust"), and Acres is a party;

AND UPON reading the application filed with the Commission and the recommendations of staff counsel to the Commission;

AND UPON hearing representations from counsel for Acres and staff counsel to the Commission on September 24, 1981;

NOW THEREFORE IT IS RULED THAT trades in common shares of Acres by Employees, Employee Private Holding Corporations, or the Trust, to Acres, other Employees or Employee Private Holding Corporations, or the Trust, with the exception of distributions within the meaning of subparagraph (iii) of paragraph 11 of Subsection (1) of the Act, are not subject to Sections 24 and 52 of the Act, subject to the following terms and conditions:

1. The issue and transfer of common shares of Acres shall be in accordance with the provisions of the Shareholders' Agreement;

2. The Trust, and each shareholder of Acres who is an Employee or an Employee Private Holding Corporation, shall have executed a counterpart of the Shareholders' Agreement, agreeing to be bound thereby, prior to receiving any common shares of Acres by way of issue or transfer;
3. Acres shall deliver to each of its shareholders audited annual financial statements and semi-annual financial statements in accordance with Sections 77 and 76 of the Act;
4. The exemption contained in this Ruling shall not apply to a transfer of common shares of Acres to an Employee or an Employee Private Holding Corporation unless and until such Employee or the Employee who is the beneficial owner of shares of the Employee Private Holding Corporation has been an Employee for at least twelve consecutive months;
5. (a) Acres shall send or deliver a copy of this Ruling to each of its present shareholders, and to each Employee or Employee Private Holding Corporation not presently a shareholder of Acres, prior to the issue or transfer of common shares of Acres to such Employee or Employee Private Holding Corporation, and file with the Commission a Certificate and Undertaking by a senior officer to that effect;
- (b) Each resolution of the Board of Directors of Acres approving transfers of shares pursuant to the Shareholders' Agreement shall state that a copy of this Ruling has been sent or delivered to the relevant transferees pursuant to subparagraph (a) of this condition;
6. The Secretary of Acres shall obtain and file with the Commission a written acknowledgement of receipt of a copy of this Ruling:
 - (i) by each of the present shareholders of Acres by September 30, 1982; and

(ii) by each Employee or Employee Private Holding Corporation who shall hereafter become a shareholder of Acres within 6 months of becoming a shareholder; and

7. The exemption contained in this Ruling shall cease to be effective if any of the provisions of the Shareholders' Agreement relevant to the exemption granted are materially amended without the written consent of the Director of the Commission.

DATED at Toronto this 24th day of September, 1981.

"Henry J. Knowles"

"A. T. Holland"

"E. S. Miles"

"G. M. Webster"

"W. A. Simonton"

"R. Morgan"

"Stuart Thom"

"S. M. D. Beck"

IN THE MATTER OF COURTNEY GROWTH FUND INC.

UPON the application, initially received July 9, 1981 and perfected August 27, 1981, of Taha Quirbi (the "Applicant") to the Ontario Securities Commission ("Commission") pursuant to Section 73 of the Securities Act, R.S.O. 1980, c.466 (the "Act") for a ruling that the intended trade of one hundred common shares (the "Shares") in the capital stock of Courtney Growth Fund Inc. (the "Issuer") from the Applicant to 91498 Canada Limited (the "Purchaser") for a consideration of \$100.00 per share (the "Intended Trade") is not subject to Sections 24 or 52 of the Act;

AND UPON it being represented to the Commission that:

1. The Applicant acquired the Shares in or about the month of April, 1981 for a consideration of \$100.00 per share from the Issuer pursuant to the exemption contained in clause (g) of Section 14 of O. Reg. 478/79, as amended (the "Regulations");
2. The Issuer is not a reporting issuer within the meaning of the Act; and
3. The Purchaser is a company controlled by the Applicant and wholly-owned by the Applicant, his spouse and trusts for their children;

AND UPON reading the application and the recommendations of Commission staff;

AND UPON the Commission being satisfied that to so rule would not be prejudicial to the public interest;

NOW THEREFORE IT IS RULED that the Intended Trade is not subject to Sections 24 or 52 of the Act provided that subsection (6) of Section 17 of the Regulations will apply to the first trade in the Shares acquired by the Purchaser pursuant to this ruling in the same manner as if the Shares had been acquired by the Purchaser pursuant to the exemption contained in clause (g) of Section 14 of the Regulations.

DATED at Toronto this 30th day of September, 1981.

"Henry J. Knowles"

"E. S. Miles"

IN THE MATTER OF CCL INDUSTRIES INC.

AND

IN THE MATTER OF
ANTHONY F. GIFFITHS AND JOHN CHRISTODOULOU

UPON the application of John Christodoulou and Anthony Giffiths (the "Applicants") to the Ontario Securities Commission (the "Commission") pursuant to section 73 of the Securities Act, R.S.O. 1980, c.466 (the "Act") received on April 6, 1981 and perfected September 22, 1981 for a variation of a ruling of the Commission made pursuant to section 73 of the Act dated October 15, 1980, which ruling (the "Ruling") is attached as Schedule "A" hereto;

AND UPON reading the application and the recommendations of Commission staff;

AND UPON being satisfied that to so rule would not be prejudicial to the public interest;

NOW THEREFORE IT IS RULED that the Ruling be varied by the deletion of the names of the Applicants therefrom.

1st October, 1981.

"Henry J. Knowles"

"W.A. Simonton"

IN THE MATTER OF
THE FEATURE LENGTH MOTION PICTURES ENTITLED
"FAST COMPANY" AND "RIEL"

AND

IN THE MATTER OF
QUADRANT FILM INVESTORS 1978 - A

UPON the application received December 29, 1980 and perfected September 18, 1981 of Gaunt Films Limited ("Gaunt"), an Ontario corporation, to the Ontario Securities Commission (the "Commission") pursuant to sections 79(b)(iii) and 87(2)(b) of the Securities Act, R.S.O. 1980, c.466 (the "Act") in respect of the feature length motion picture films entitled "Fast Company" and "Riel" (the "Films");

AND UPON it appearing to the Commission that:

Gaunt was incorporated for the purpose of producing motion picture films and was instrumental in the production of the Films;

Gaunt conveyed to Quadrant Films Limited ("Quadrant") to be held on behalf of the purchasers (the "Unitholders") of units of undivided beneficial interest (the "Units") in specified portions of the Films certain property in and rights to the Films as described in a draft Unitholders' Agreement (the "Unitholders' Agreement") annexed to a prospectus dated November 21, 1978, as amended by an amendment dated December 29, 1978 filed with the Commission and pertaining to the distribution of the Units; and

It is appropriate in the circumstances that Quadrant be responsible for compliance with the requirements of Parts XVII and XVIII of the Act in respect of the affairs of the unincorporated association comprised of the Unitholders and known as Quadrant Film Investors 1978 - A (the "Association");

AND UPON the Commission being advised that:

Gaunt is a wholly-owned subsidiary of Quadrant all of the shares of which are beneficially owned by David M. Perlmutter ("Perlmutter"); and

Gaunt, Quadrant, and Perlmutter are aware of the importance of compliance with the

requirements of this order applicable to Quadrant;

AND UPON the Commission being of the opinion that to make this order would not be prejudicial to the public interest and being satisfied that in the circumstances of this particular case there is adequate justification for so doing;

NOW THEREFORE IT IS ORDERED pursuant to sections 79(b)(iii) and 87(2)(b) of the Act that Gaunt be and hereby is exempted from compliance with the requirements of Parts XVII and XVIII of the Act with respect to its own affairs, subject to the terms and conditions that:

1. Gaunt, Quadrant and Perlmutter shall have filed with the Commission a written undertaking, satisfactory in form and content to the Director, in the case of Quadrant to comply with the requirements of Parts XVII and XVIII of the Act in respect of the affairs of the Association as modified by paragraph 3 of this order, and in the case of Gaunt and Perlmutter to use their best efforts to cause Quadrant to so comply, failing which Gaunt and Perlmutter shall be jointly and severally responsible for such compliance;
2. Except as expressly provided herein, Quadrant shall comply with or cause to be complied with the requirements of Parts XVII and XVIII of the Act in respect of the affairs of the Association;
3. Notwithstanding paragraph 1 of this order, Quadrant shall not be required to comply with or cause to be complied with the requirements of sections 76(1) and 78 of the Act to file with the Commission and send to Unitholders interim financial statements of the Association, as of the date of this order, provided that:
 - (a) by a vote of the Unitholders taken at each annual meeting of Unitholders a majority of votes cast shall approve this exemption and the results of such votes, in any case, shall be reported in writing to the Commission within three days of the taking thereof;

- (b) Quadrant shall cause to be filed with the Commission and sent to all Unitholders:
 - (i) semi-annual interim financial statements of the Association, prepared in accordance with section 76(1) of the Act;
 - (ii) interim financial statements of the Association for any fiscal quarter in which a material change occurs in the affairs of the Association, prepared in accordance with section 76(1) of the Act, but such statements need not be comparative; and
 - (c) this exemption shall terminate upon the occurrence of a material change in the affairs of the Association unless the Commission is satisfied that the exemption should continue;
4. Quadrant shall before November 15, 1981 have caused copies of the audited Statement of Total Costs of Production for each of the Films and copies of the certificates of the Secretary of State for Canada evidencing that each of the Films is a certified feature production to be filed with the Commission and sent to all Unitholders;
 5. Quadrant, on or before March 31 of each year, shall cause to be sent to each Unitholder sufficient information for inclusion in the income tax return of such Unitholder the proper income and deductions attributable to the investment of such Unitholder in each of the Films including in every such year an explanation of the relevance of the information for income tax purposes;
 6. The financial statements of the Association required to be filed with the Commission and sent to all Unitholders pursuant to this order shall be approved by the directors of Gaunt and Quadrant and the approval shall be evidenced by the manual or facsimile signatures of the directors of each of Gaunt and Quadrant duly authorized to signify the approval;

7. For the purposes of compliance by Quadrant with the terms of this order, a reference in Parts XVII and XVIII of the Act or the regulations to the Act pertaining thereto to an officer, director or management of the reporting issuer shall be deemed to be a reference to an officer, director or management of Quadrant, as the context may require;
8. For the purposes of sections 75 and 131 of the Act, those persons or companies in a special relationship with Gaunt or Quadrant shall be deemed to be persons or companies in a special relationship with the Association; and
9. The exemption from the requirements of Parts XVII and XVIII of the Act granted to Gaunt with respect to its own affairs by this order shall terminate forthwith if Gaunt shall become a reporting issuer within the meaning of section 1(1)(38) of the Act in connection with an issue of its own securities.

24th September, 1981.

"Henry J. Knowles"

"Stuart Thom"

16/October/81

200B

TOSA LIMITED

UPON the application received in completed form on May 29, 1981 of Tosa Limited ("Tosa") to the Ontario Securities Commission (the "Commission") for a ruling pursuant to section 73 of the Securities Act, R.S.O. 1980, c.466 (the "Act") that any trade in securities of Tosa shall not be subject to sections 24 and 52 of the Act;

AND UPON it appearing that:

1. Tosa is a holding company with no employees of its own;
2. The articles of Tosa provide that:
 - (a) the right to transfer its shares is restricted,
 - (b) the number of its shareholders, exclusive of persons who are in the employment of Tosa or any wholly-owned subsidiary of Tosa and exclusive of persons who, having been formerly in the employment of Tosa or one of its wholly-owned subsidiaries, were, while in that employment, and have continued after termination of that employment to be, shareholders of Tosa, is limited to not more than fifty, two or more persons who are the joint registered owners of one or more shares being counted as one shareholder, and
 - (c) any invitation to the public to subscribe for its securities is prohibited;

AND UPON reading the application and the recommendation of the Commission staff;

AND UPON the Commission being satisfied that so to rule would not be prejudicial to the public interest;

IT IS RULED pursuant to section 73 of the Act that any trade in securities of Tosa is not subject to section 24 or 52 of the Act provided that:

- (i) this ruling shall automatically terminate at such time as the articles of Tosa are amended so that they no longer include each of the provisions referred to in clauses (a), (b) and (c) of Paragraph 2 above; and

- (ii) The first trade after this ruling has been terminated in previously issued securities of Tosa shall be subject to subsection 71(5) of the Act as if Tosa had, before the termination of this order, been a private company as defined in the Act.

1st October, 1981.

"R.T. Morgan"

"Stuart Thom"

16/October/81

202B

EXEMPT PURCHASERS

DOFASCO SUPPLEMENTARY RETIREMENT INCOME PLAN

The Commission granted recognition to Dofasco Supplementary Retirement Income Plan as an exempt purchaser under S.34(1)4 of The Securities Act, 1978, for the ensuing twelve months.

CANADIAN GENERAL INVESTMENTS LIMITED

The Commission granted recognition to Canadian General Investments Limited as an exempt purchaser under S.34(1)4 of The Securities Act, 1978, for the ensuing twelve months.

THIRD CANADIAN GENERAL INVESTMENT TRUST LIMITED

The Commission granted recognition to Third Canadian General Investment Trust Limited as an exempt purchaser under S.34(1)4 of The Securities Act, 1978, for the ensuing twelve months.

C.G.I. AND THIRD VENTURE CAPITAL LIMITED

The Commission granted recognition to each of the undermentioned as an exempt purchasers under S.34(1)4 of The Securities Act, 1978, for the ensuing twelve months.

EXEMPT PURCHASERS

PENFUND CAPITAL (NO. 1) LIMITED

The Commission granted recognition to Penfund Capital (No. 1) Limited as an exempt purchaser under S.34(1)4 of The Securities Act, 1978, for the ensuing twelve months.

HCI HOLDINGS LIMITED

The Commission granted recognition to HCI Holdings Limited as an exempt purchaser under S.34(1)4 of The Securities Act, 1978, for the ensuing twelve months.

REASONS, DECISIONS, ORDER RULINGS

In the matter of the Securities Act, 1978 S.O. 1978, Chapter 47,
and amendments thereto:

- and -

In the matter of Royal Trustco Limited, Kenneth Alan White and John
Merton Scholes.

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2. SUBMISSIONS OF THE RESPONDENTS	164C-267C
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4. DECISION OF THE COMMISSION	322C-359C

This page replaces 50C of Bulletin Volume 2 #13/81.

CEASE TRADING ORDERS

DAYTON PORCUPINE MINES LIMITED

Temporary cease trading order issued October 2, 1981 with respect to each Company for failure to make statutory filings. Statutory hearings October 16, 1981 at 10:00 a.m.

DANIEL DIVERSIFIED LIMITED

Temporary cease trading order issued October 7, 1981 for failure to make statutory filings. Statutory hearings October 21, 1981 at 10:00 a.m.

MILNER CONSOLIDATED SILVER MINES LTD.

Temporary cease trading order issued October 6, 1981 for failure to make statutory filings. Statutory hearing October 20, 1981 at 10:00 a.m.

EXPLANATORY NOTES

Information contained in this section has been summarized from insider reports filed with the Commission.

The name of the issuer is followed by a brief description of the class of security the name of the person or company reporting and his or its relationship to the issuer. If a person has an indirect interest in the securities reported, e.g., through holding companies, affiliate companies, partnerships, trusts or other entities, this is shown. Symbols are used in the column "Transaction and Ownership Symbol" to indicate the nature of ownership i.e., direct or indirect. Similarly the character of transactions is indicated provided the transactions are other than a purchase or sale. (See guide to symbols below):

GUIDE TO SYMBOLS

RELATIONSHIP (appearing after the name reported)

- "B" - Beneficial Owner (direct or indirect) of equity shares of a reporting issuer carrying more than 10% of the voting rights attached to all equity shares of the reporting issuer outstanding.
- "D" - Director of principal reporting issuer.
- "DI" - Director of an issuer or a reporting issuer which is an insider or subsidiary of the principal reporting issuer.
- "K" - Exercises control or direction (direct or indirect) of equity shares of a reporting issuer carrying more than 10% of the voting rights attached to all equity shares of the reporting issuer.
- "S" - Senior Officer of principal reporting issuer.
- "SI" - Senior Officer of an issuer or a reporting issuer which is an insider or subsidiary of the principal reporting issuer.

NATURE OF OWNERSHIP

- No Symbol - Securities are beneficially owned directly.
- Symbol #1 - The reporting person or company beneficially owns and/or has control or direction over securities which are held by a company, associate, partnership, trust or other entity.

CHARACTER OF TRANSACTION

- | | |
|--------------------------------|----------------------------------|
| No Symbol - purchase or sale | "M" - internal |
| "A" - bequest or inheritance | "Q" - qualifying shares |
| "C" - compensation | "R" - redeemed (called, Matured) |
| "E" - exchange or conversion | "T" - stock dividend |
| "F" - exercise of rights, etc. | "V" - stock split |
| "G" - gift | "X" - exercise of option |
| "IR" - initial report | "Z" - distribution |

*Returned for reconciliation purposes.

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
ADANAC MINING & EXPLORATION LTD	Common	Conwest Exploration Company Limited B Consolidated Canadian Faraday Limited Chimo Godl Mines Limited 434074 Ontario Limited	-- Sept/81 1 -- 1 -- 1	4000		572381 130300 283825 70000
AGRA INDUSTRIES LIMITED	Common	Harvey Tenenbaum DS	Sept/81 X	200		17109
ALBERTA ENERGY COMPANY LTD	Common	Nicholas J Lashuk S	Sept/81		6000	1500
ALBERTA NATURAL GAS COMPANY LTD	Common	Pacific Gas & Electric Company B Pacific Gas Transmission Company	Sept/81 1	297900		2973900
ALGONQUIN MERCANTILE CORPORATION	Common	Robert M, Franklin DS RRSP	Sept/81 -- 1	20		33310 2900
ALLIED CORPORATION	Common	James Krumhansl D Wife	-- Sept/81 1	100		100 100
AMAX INC	Common	John Towers DS	Sept/81	6		11741
AMERICAN EXPRESS COMPANY	Common	George C Sheinberg S I R				74358
ANDRES WINES LTD	Common	Carlisle Norwood D	Sept/81	700		2800
AQUITAINE COMPANY OF COMPANY LTD	Common	Terence Heneachan S Savings Plan	-- Sept/81 1	1		80 5

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
ARGUS CORPORATION	Common Class C Pref	Dixon S Chant	Sept/81	262		362
		Dixon S Chant	Sept/81	83		83
	Common Class C Pref	Donald A McIntosh	Aug/81	208		808
		Donald A McIntosh	Aug/81	626		3026
ASAMERA INC	Common	Donald H Buchholz				
		Jointly, owned with wife	Aug/81			1000
	Debentures	Larry B Thiessen	Sept/81	R	\$227625	\$78750
ASSOCIATE INVESTORS LIMITED	Class A Common	Howard R Douglas	Sept/81	2		208
		Canada Permanent Trust Company	Sept/81	1		
			Sept/81	84	7953	---
		Geoffrey B White	Aug/81	15		
			Sept/81	21		1079
		Albert S Burton	Sept/81	12		169
		George L Frazer	Sept/81	16		
		Leon Fraser & Associates	Sept/81	7	1239	2575
		William G Tynkaluk	Sept/81	13		752
ATLANTIC GOLD MINES LIMITED	Common	Margaret Mills	I R			200
						350000
BACHELOR LAKE GOLD MINES INC	Common	George W Armstrong	Sept/81	1		500
		Daughter Family Trust	Sept/81	1		500

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
BANK OF MONTREAL	Common	James R Ellis	S I R			1075
		Ian A C McCallum Minor Children	S Sept/81 -- 1	400		2410 190
		J R Giles Jarry	S I R			1027
BARBECON INC	Common	Mary L Westaway	DISI Sept/81	400		2400
		Peter W Westaway RRSP	DISI --- Sept/81 1	25		1500 2105
		Westell Holdings Limited Voting Trust Agreement	B Sept/81 --- 1	100		892500 191200
BARYMIN EXPLORATIONS LIMITED	Common	Metallgesellschaft AG Metallgesellschaft Canada Limited	B Sept/81 1		300000	761045
		Richard C Baxter Amended First Arbox Corporation	S Jun/81 1 Jul/81 1 Aug/81 1 Sept/81 1 --- 1	3500 11300 5200 10000		50100 10600
		Kidbox Investments Industatus Corporation Ltd Lynngrove Invest- ments Ltd	Jul/81 1 Jul/81 1 Sept/81 1	25000 50000		25000 50000
BAY MILLS LIMITED	Common	Bay Mills Limited	Sept/81 Sept/81 R	12100	12100	---

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
BBC REALTY INVESTORS	Units	Thomas C Brennan	S Sept/81	1 285	285	1015 285
BIROCO KIRKLAND MINES LIMITED	Common	William B Webber	D ---			240001
		Amended				
		Mrs B Webber J P H Webber	Nov/81 I R	1 120000		--- 20001
BISON PETROLEUM & MINERALS LIMITED	Common	Jordon Holdings	B Nov/81	100000		452901
		Amended				
		William M Wismer	DS Sept/81	1000		8000
BONANZA OIL & GAS LTD	Common	Don V Ingram	D Aug/81	32900		663126
		Amended	Sept/81	42100		
		Summit Joint Venture	Sept/81	1		120000
BORDER CHEMICAL COMPANY LIMITED	Common	Basil Filardi Jr	DS Sept/81	200		17941
		CEMP Investments Ltd B Econtech Ltd 85719 Canada Ltd	--- Sept/81 ---	1 37000 1		650000 1685290 1466016
BOW VALLEY INDUSTRIES LTD	Common	Ernest Leo Kolber DISI Wife & Children	Sept/81 ---	13700 1		244589 80300
		John A Rothschild	SI Sept/81		100	1200
		William F Limin The Royal Trust Company	S ---			18500
BRALORNE RESOURCES LIMITED	Common		Aug/81	1	1100	
			Sept/81	1	1900	17000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
BRAMALEA LIMITED	Common	Enid Hildebrand	D Jun/81	V 200		400
		Charles Simon	I R	1		10000
		Gordon L Deson	S			19584
		Amended Daughter	May/81	1 1800		---
	Class A Pref	Employee Stock Plans	May/81	1	1800	94300
			--	1		
		Thomas N Dirks	Sept/81		5800	2200
		Sage Holdings Limited	Sept/81	1	14800	90000
		Sage Holdings Limited	Sept/81	1	14000	248323
		Hugh R Snyder	Sept/81	48500		65775
BRITISH AMERICAN BANK NOTE INC	Common	Gaston Boulanger	DS Jul/81	V 13650		18200
		Societe de gestion Y B L Inc	Jul/81	V1 660000		880000
		Gordon C Leslie	S May/81	95		2344
			Jul/81	V 1758		3360
	Series A Pref	Kenneth S Sargent	DS Jul/81	V 2520		
		Clare V Vaughan	S Apr/80		80	784
			Jul/81	V 588		
		Richard P White	D Jul/81	V 3339		4452
		R Brock Young	DS Jul/81	V 1131		1508

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
BRITISH COLUMBIA FOREST PRODUCTS LIMITED	Common	Stuart Waddell	S Sept/81 X	2160	3800	13480
		Wife	Sept/81 -- 1			800
	Common	Kenneth P Clark	S Sept/81 X	2000	7000	590
		Wife	Sept/81 -- 1			800
BRITISH COLUMBIA TELEPHONE COMPANY	Ordinary	General Telephone & Electronics Corp GTE International Inc Anglo-Canadian Telephone Co				3109876
			Jun/81 1	38000		13695926
			-- 1			
						500
C-I-L INC	Common	Dr. N Brian Smith	D I R 1			
CADILLAC FAIRVIEW CORPORATION LIMITED	Common	Harold Fealdman	S Sept/81 M	15000	15000	300
			Sept/81 M1		15000	---
	Series A Pref	Share Option Plan Harold Fealdman	S Sept/81 M	2500	2500	1350
			Sept/81 M1		2500	---
	Common	Fred R Abramovitch	SI Sept/81		1000	---
						1137
		Allen E Diamond Whitecastle Investments Limited In Trust	---			1899593
			Sept/81 1		940000	45
			-- 1			
			Sept/81 DS		10000	12454
		Gerald Sheff	Sept/81		65000	

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CAE INDUSTRIES LTD	Class A Common	James W Best	S Sept/81		1200	1317
CAIRN PETROLIUMS LTD	Common	Dynamar Energy Limited Farrington Oil Ltd	B I R			505994
CAMPBELL RESOURCES INC	Common	Gordon G Goodfellow	S Sept/81		500	---
CAMPEAU CORPORATION	Common	Lenard B McQuarrie Stock Purchase Plan	--- Sept/81	1050		8252 102834
CANADA DEVELOPMENT CORPORATION	Common	Laurent Beaudoin Amended	D Sept/81	6000		6500
	Class B Pref	John R McCaig John R McCaig	D I R I R			20 10
	Common	Gerald N Wood	S Aug/81	15		45
CANADA NORTHWEST LAND LIMITED	Common	Julio Poscente Share Purchase Plan	DS Sept/81 Sept/81	1 1	15000	50601 26612
		James R Smith	S Sept/81		1000	19366
CANADA PERMANENT MORTGAGE CORPORATION	Common Series B Pref	John H C Clarry John H C Clarry	D Sept/81 Sept/81		300	---
	Common Series B Pref	Joseph H Deason Joseph H Deason	DS Sept/81 Sept/81	20	250	20
	Common Series B Pref	Albert B Matthews Albert B Matthews	D Sept/81 Sept/81	20	250	---
	Common Series B Pref	Charles B Stewart Charles B Stewart	D Sept/81 Sept/81	20	250	---

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CANADA PERMANENT MORTGAGE CORPORATION (continued)	Common	Edward F Crease D	Sept/81 1		270	---
	Series B Pref	H & G Holdings Ltd Edward F Crease	Sept/81	20		20
	Common	Robert C Dowsett D	Sept/81		250	---
	Series B Pref	Robert C Dowsett	Sept/81	20		20
	Common	Sheldon L Fountain D	Sept/81		250	---
	Series B Pref	Sheldon L Fountain	Sept/81	20		20
	Common	Harry W Hays D	Sept/81		250	---
	Series B Pref	Harry W Hays	Sept/81	20		20
	Common	P Derek Lewis D	Sept/81		250	---
	Series B Pref	P Derek Lewis	Sept/81	20		20
	Common	J Lloyd Welch D	Sept/81		1300	---
	Series B Pref	J Lloyd Welch	Sept/81	20		20
	Common	William H Jost D	Sept/81		250	---
	Series B Pref	William H Jost	Sept/81	20		20
	Common	John F Perrett D	Sept/81		250	---
	Series B Pref	John F Perrett	Sept/81	20		20
CANADEX RESOURCES LIMITED	Common	Roger L Beaulieu D	Sept/81		250	---
	Series B Pref	Roger L Beaulieu	Sept/81	20		20
	Common	William D Hatch D	Jul/81		750	---
	Series B Pref	William D Hatch	Sept/81		389	---
	Common	Sun Pac Foods Limited	Sept/81	20		20
	Common	B I R				513000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CANADIAN GENERAL INVESTMENTS LIMITED	Common	Canadian General Investments Limited	Sept/81	2900		17299
CANADIAN IMPERIAL BANK OF COMMERCE	Common	Frank H Logan	D I R			2000
		Brian Mulroney	D I R			500
CANADIAN NATURAL RESOURCES LIMITED	Common	Graham R Dawson	D			
		Dawson Construction Limited	Sept/81	1	150000	159091
		G R Dawson Holdings Limited	Sept/81	1	150000	152000
CANADIAN OCCIDENTAL PETROLEUM LTD	Common	G Gerald Hoffos	S		1800	---
		Savings Plan	Sept/81	1		1556
CANADIAN PACIFIC ENTERPRISES LIMITED	Common	Thomas M Galt	D			1036
		Spouse	Sept/81	1	800	800
		H W Blakely	SI		200	---
		Petrojean Investments Limited	Sept/81	1		---
CANADIAN PACIFIC LIMITED	7 1/4% Series A	Canadian Pacific Limited				500
		(Reported under Canadian Pacific Enterprises Limited in Bulletin dated Sept 18/81 in error)	Aug/81	30388		---
			Aug/81	13013	30388	---
			Sept/81			---
			Sept/81		13013	---

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CANADIAN TIRE CORPORATION LIMITED	Class A	Colin D Smith	S Aug/81		62	7
CANDY INVESTMENTS LIMITED	Common	Allan D Pyzer A Pyzer Consultants Limited Saratoga Management Corporation Limited	DSB Sept/81 ---	1 2000 1		40500 699000
CANE CONSOLIDATED EXPLORATIONS LIMITED	Common	John A Pollock Jonpol Investments Ltd	DS Sept/81	1 40000		39825 155000
CANNON MINES LIMITED	Common	David D Martin ABACO	DS Sept/81 Sept/81	1 1	40000 25000	500 70000
CANUSA ENERGY LTD	Common	Bonanza Oil & Gas Ltd Of record only	B Aug/81 --	1 6700		1662421 300000
	Common	Barry W Harrison Amended	D Apr/81 Sept/81	85200 5918		144000
	Warrants	Barry W Harrison	Apr/81 Sept/81	17040 2000		19040
CAPITAL CABLE TV LTD	Class A Common	James R Shaw James R Shaw Securities Limited	D Sept/81	1 1800		308000 238000
		Leslie E Shaw L E Shaw Investments Limited	DB Sept/81	1 1800		319600 244650

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CARMA DEVELOPERS LTD	Class A Common	Klaus Springer Springer Develop Corp Ltd	--			683339
	Class B Common	Springer Development Corp Ltd	Sept/81 E1	1692		229805
			Sept/81 E1		1692	---
		Ralph T Scurfield				
CARVERN INTERNATIONAL INDUSTRIES LTD		DS DISI	Aug/81 T	655		85648
	8.75% Pref	Paul M McAteer Amended	Aug/81 Sept/81	300 500		1850
	Common	Frank E McConnell	Jun/81	10000		38000
	Common	Pierre Cote	Sept/81	337		13656
CELANESE CANADA INC		Raymond A Chevrier	Sept/81	1		6952
		Richard M Clarke	Sept/81	202		13547
		Joseph G Kenna	Sept/81	68		781
	Common	George H Montague RRSP	Sept/81 1	1000		20000
CERES RESOURCES LIMITED		Talcorp Associates Limited	B I R			565600
	Common	Walter S Bishop Birmamwood Invest- ment Limited	---			18060
		Beltree Holdings Limited	Sept/81 1	5000		31152
			-- 1			77100

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CHUM LIMITED	Common	Allan F Waters Allan Waters Limited Stock Purchase Plan	--			1100
			Sept/81	1124		965011
			--	1		682
CITIES SERVICE COMPANY	Class B	Moses Znaimer	Sept/81		29513	150000
	Common	Park Holland Jr Thrift Plan Wife	Sept/81	2400	934	2919
			Sept/81			13159
CLARION PETROLEUMS LTD	Common	George A Pinsky	--			1779
			--			---
CLARK DAIRY LIMITED	Common	George Weston Limited	I R			---
CLEYO RESOURCES INC	Common	John Boissoneault Jacques Chartrand	B	54		65792
			Sept/81			
			I R			1
			I R			1
COMAC COMMUNICATIONS LIMITED	Common Preference	Cleo Clement Cleo Clement	DSB			100001
			I R			500000
			I R			
COMINCO LTD	Common	Yolande Clement	I R			1
			DS			
COMAC COMMUNICATIONS LIMITED	Demand Notes	Torstar Corporation	B	\$850000	\$350000	\$500000
			Sept/81 Sept/81			
COMINCO LTD	\$2.00 Pref A	Canadian Pacific Limited	B	6600	6600	---
			Sept/81 Sept/81			
COMMERCIAL FINANCE CORPORATION LIMITED	Warrants	Jack McCreadie	S	15000		15000
			Sept/81			

ISSUANCE	SECURITY	TRANSACTION	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
COMTECH GROUP INTERNATIONAL LIMITED	Common	James E Houston	D	Sept/81	6700	313900
COMTERM INC	Common	Russel C Scrim Eness Corporation Ltd	D	Aug/81	3000	11000
				Aug/81	5000	5000
CONDUITS-AMHERST LIMITED	Common	Thomas B Copp Son	DDI	Sept/81 --	500 1	15100 2850
CONSOLIDATED CANADIAN FARADAY LIMITED	Common	Conwest Exploration Company Limited International Mogul Mines Limited	B	Sept/81	87500	1281243
CONSOLIDATED PROFESSOR MINES LIMITED	Common	A F B Milligan	D	I R		----
	Common	Wolfgang Rauball	D	Aug/81	25000	173400
CONSOLIDATED-BATHURST INC	Series A Common	Ashok K Narang Montreal Trust Company	S	Sept/81	X1 6300	7500
	Series B Common	Tor O Stangeland Monray & Co	S	Sept/81 --	694 1	4094 42800
CONTIENETAL GROUP INC THE	Common	Edgar O Bottler		Sept/81	261	1372
		Thomas W Rollins	S	I R		----
CONTROL DATA CORPORATION	Common	Leroy F Stutzman	D	Jul/81	5	2295
		wife		Aug/81	10	
				Jul/81	2	
				Aug/81	10	679

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CONTROL DATA CORPORATION						
	Common	S H Beach	S Sept/81 V	1004		2008
		Gordon R Brown	S Sept/81 V	2600		5200
		Robert C Chinn Wife	S Sept/81 V Sept/81 V1	7866 85		15732 170
		Gerald W Gilbert	S Sept/81 V	3400		6800
		James T Halom	S Sept/81 V	4000		8000
		Quentin J Hietpas	S Sept/81 V	1000		2000
		Larry E Jodsaas	S Sept/81 V	6078		12156
		John W Lacey	S Sept/81 V	19346		38692
		Paul G Miller	DS Sept/81 Sept/81 V	24200	300	48400
		James Murdakes	S Sept/81 V	8250		16500
		William C Norris Wife Hawar & Company as Trustee William C Norris as Trustee	S Sept/81 V Sept/81 V1 Sept/81 V1 Sept/81 V1 Sept/81 V1	244950 121016 9119 1512		489900 243232 18238 3024
		Robert L Perkins	S Sept/81 V	15129		30258
		Lawrence Perlman	S Sept/81 V	3000		6000
		William Radomsky	S Sept/81 V	1000		2000
		Marvin G Rogers Wife	S Sept/81 V Sept/81 V1	19354 50		38708 100

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CONTROL DATA CORPORATION (continued)	Common	Herbert F Trader	S Sept/81 V	13405		26810
		E G Vargon	S Sept/81 V	6012		12024
		Duane H Wentworth Son	S Sept/81 V Sept/81 V1	1000 8		2000 16
		Joseph W Barr	D I R			200
CONVENTURES LIMITED	Common	Dickenson Mines Limited				
		Dickenson Mines Limited Notes 4th Series	R Sept/81		1453686	---
		Dickenson Mines Limited Notes 5th Series	Sept/81 Sept/81		\$2700000 \$2000000	---
CONWEST EXPLORATION COMPANY LIMITED	Class B Common	James A Kalman	S Sept/81 Sept/81	5750		7750
		Jack C Cooper Amended	Aug/81 Aug/81	20000	20000	343542
COPPERFIELDS MINING CORPORATION	Common	Norman B Keevil RRSP	S Sept/81 Sept/81 1	349154 300		486588 218400
		William F Turnbull	S Sept/81		1000	13000
COSEKA RESOURCES LIMITED	Common	Bramalea Limited	B Sept/81	151000		3832849
		Kenneth E Field RRSP	--- Aug/81 1	1000		3667 1000
		J Richard Shiff RRSP	--- Sept/81 1			3667 100
		Control Associate	Sept/81 1 --- 1	100 300		300 3500

16/October/81

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
COSTAIN LIMITED	Common	Richard Costain (Holdings) Limited	B Sept/81	85500		2299460
		Meier Miller	S Sept/81	1000		3150
CRESTBROOK FOREST INDUSTRIES LTD	Common	Montreal Trust Company	B			
		Candou Industries Ltd	Sept/81	1	2000	508920
CYPRUS ANVIL MINING CORPORATION	Common	237644 British Columbia Ltd	B Sept/81	389389		7680772
		Hubert R Whittall	D Aug/81		5000	---
D'ELDONA GOLD MINES LIMITED	Common	Frederick C Knight	D I R			5
DALCO PETROLEUM LTD	Common	Murray L Dea	DS Aug/81	1000		4000
DALMYS (CANADA) LIMITED	Common C	Philip Perlman	DS Oct/81		10000	364784
DATA CROWN INC	Common	A Hugh C Lewis	SI Sept/81	55		10555
		Murdachca-Taylor Family Trust	--- 1			12000
DENISON MINES LIMITED	Common	John A Mullin	D ---			800
		Tachat Holdings Limited	Sept/81	1	100	300
DICKENSON MINES LIMITED	Class B	H Vance White	DS Aug/81		600	
		RRSP	Sept/81		3500	28569
			---	1		571
DISTRICT TRUST COMPANY	Common	Raymond J Hare	DS DISI ---			5000

187702

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
DISTRICT TRUST COMPANY (continued)	Common	Robert J Hare Baroblyn Limited	--- Sept/81	1 500		1000 187702
		Norameuro Inter- national Limited	B Oct/81	111000		696705
		Darcia Holdings Limited	B Jul/81	400		882400
		John K Reynolds	DI Sept/81	100		200
DOMAN INDUSTRIES LIMITED	Common					
DOME PETROLEUM LIMITED	Common	Dixon S Chant	D Sept/81	E 625		1625
DOMINION STORES LIMITED	Common	Donald A McIntosh	DI Sept/81	E 937		1787
		Glen White Davis N M Davis Corpora- tion Limited	DDI Sept/81	125		1125
			Sept/81	1 125		125
		Lewis H M Ayre	D Sept/81	E 135		2636
DOMINION TEXTILE INC	Common	Charles G Cowan	DISI I R			125
		Charles B Ross	DI Sept/81	E 406		506
		Laurie W Alnwick	S Sept/81	100		700
		William A McVey	S Sept/81		500	1080
		Lawrence G McDonough	S Sept/81	300		1374
DOW CHEMICAL COMPANY THE	Common	Robert W Lundeen	DS Sept/81	G 1000		51651
		Jointly with wife	---	1		2012
		Stock Benefit Plan	---	1		2286

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
DOW CHEMICAL COMPANY THE (continued)	Common	Carl A Gerstacker	---			623066
		Wife	Sept/81	1	400	18538
		Stock Benefit Plan	---	1		9264
DRUG TRADING COMPANY LIMITED	Common	Bernard F Gorski	Jun/81	8		174
		Gorski Pharmacy	---	1		200
		John B Whitfield	---			1
DRUMMOND MCCALL INC	Series A Common	Whitfield Drugs Ltd	Jun/81	1	5	200
		Douglas T Bourke	---			4600
	Series B Common	Lake and Company	Aug/81	1	500	16500
		Douglas T Bourke	Jun/81	1	302	
		Lake and Company	Sept/81	1	347	20150
DRUMMOND PETROLEUM LTD	Common	Harvie M Davidson	I R			481638
		John S Davidson	I R			5143000
DUNDEE-PALLISER RESOURCES INC	Common	Wayne A McCoy	Sept/81	3000		
			Sept/81		4000	58700
EAST SULLIVAN MINES LIMITED	Common	Claude Genest	I R			1
		Sullivan Mining Group Ltd	Sept/81	25400		1906368
ELECTRO-KNIT FABRICS LTD	Common	Claude Beauchemin	Sept/81	4500		55989
		Maurice Rabinovitch	I R			3000
ELKS INC (FORMERLY ELKS STORES LIMITED)	Common	Grafton Group Limited	Sept/81	5372400		
			Oct/81	57508		5918308

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
ENERGY & PRECIOUS METALS INC	Common	Electra Investments (Canada) Limited	B Sept/81	4600		174700
ENEX RESOURCES LIMITED	Common	Ross M Maclean Deucalion Enterprises Ltd	D Sept/81 -- 1	1000		213307 360
EXTENDICARE LTD	Class A	Winston Ling	S Sept/81		1000	20600
FIRST CALGARY PETROLEUMS LTD	Common	James D Kadlec RRSP	DS Jul/81 1	25000		282 25000
FLYING CROSS PETROLEUM CORP	Common	Frank Cadesky Cadre Corporation	DSB -- Sept/81 1		50000	133875 534976
FORD MOTOR COMPANY	Common	Roy F Bennett DISI	Dec/80 Sept/81	336	1000	2578
FORT NORMAN EXPLORATIONS INC	Common	J Edward Lundy Trusts	D Sept/81 1	28		55069
FRANCANA OIL & GAS LTD	Common	William S McCartney Amended	S Sept/81	2900		1371600
FRASER INC	Common	Allan E Dobson Savings Plan	S Sept/81 1	8		160
		Edward W Hayes Savings Plan	S -- Sept/81 1	14		500 338
	Common	Bruce W Hicks Stock Purchase Plan	S Sept/81 M Sept/81 M1	75	75	1190 1075
G M RESOURCES LIMITED	Common	James D Raymond*	SI Sept/81	2400		46400

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
GALVESTON PETROLEUM LTD	Common	Arthur Clemiss	DISI I R			---
		Leonard Clemiss	DISI I R			---
		Elenore M Keays	DISI I R			---
		Murray Pezim	DISI I R			---
		George E Scott	DISI I R			---
		Ventora Resources Ltd	B I R Aug/81	118300		462200 580500
CAZ METROPOLITAIN INC	Common	Jean A Guerin	D			
		Caisse de depot et de placement du Quebec	I R 1			1
GENERAL AMERICAN OIL COMPANY OF TEXAS	7.85% 2nd Preferred Series "A"	Northern and Central Gas Corporation Limited	B 1981		48868	723371
		Evelyn M Acton	DI Sept/81		100	11196
GENERAL AMERICAN PROPERTIES INC	Class A	Bruce Smith	DSS Sept/81	5800		36500
		Patrick J Matthews	S Sep/81	2000		3000
GENERAL DISTRIBUTORS OF CANADA LTD	Warrants					
GENERAL MOTORS CORPORATION	Common	Robert F Magill	S Sept/81 X Sept/81	94		10646
		Savings-Stock				

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
GENERAL MOTORS CORPORATION (continued)	Common	William E Hoglund	S Sept/81	C 27		758
		Savings-Stock				
		Purchase Program	--	1		1554
		Other Indirect	--	1		900
		Paul F Chenea	S Sept/81	X 111		11272
		Savings-Stock				
		Investment Program	--	1		4269
		Trust	--	1		2158
		Paul D Pender	S Sept/81	C 160		13421
		Savings-Stock				
GENSTAR CORPORATION	Common	Purchase Program	--	1		2885
		Other Indirect	--	1		468
		James G Vorhes	S Sept/81	C 27		27
		Trust	--	1		2522
		Other Indirect	--	1		764
		Paul T Cote	S Sept/81	650		1150
		Duncan D Jessiman	DS -			22584
		RRSP	Jul/81	1 1000		2200
		Donald Keenleyside	D Sept/81	1 3800		22900
		RRSP				
GOODYEAR CANADA INC	Preferred	Goodyear Canada Inc				
		Trustee	Sept/81	1 100		334
GOTAAS-LARSEN SHIPPING CORPORATION	Common	Nevil M E Proes	S Sept/81	200		11500
		Konstantin Weigand	D Sept/81	22000		150400
GOWGANDA SILVER MINES LTD	Common		Sept/81		11000	

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
GRANDMA LEE'S INC	Series B Pref	Gordon T Hanson 457326 Ontario Limited	Aug/81 1		5750	4250
GREAT LAKES NICKEL LIMITED	Common	David C H Stanley	B Sept/81	7000		20000
GREAT PACIFIC INDUSTRIES INC (FORMERLY CRUSH INTERNATIONAL LTD)	Common	James A Pattison Jim Pattison International Limited	DSB Sept/81 1	7500		2931600
GREAT WEST STEEL INDUSTRIES LIMITED	Common	Montreal Trust Company Account #518700 Candou Industries Ltd	B Aug/81 1 Aug/81 1	63000 189800		459000
GREAT-WEST LIFE ASSURANCE COMPANY THE	Common	H Keith McVicker	S I R			---
GUARDIAN CAPITAL GROUP LIMITED	Common	John Christodoulou Minic Investments Ltd	D I R 1			61200
		Guardian Capital Group Limited Amended	Aug/81 Aug/81	425 40700		42225
HALIFAX DEVELOPMENTS LIMITED	Common	Malcolm H D McAlpine	D Jul/81 Sept/81	700 1025		5000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
HANSON MINERAL EXPLORATION LIMITED	Common	Werner W Amerongen* D	Sept/81 V		60000	20000
			Sept/81 V	20000		
HAKDEE FARMS INTERNATIONAL LTD Common		Cecil H Franklin DS	--			200
		Algonquin Mercantile Corporation	Sept/81 1	23500		2711231
		Minaco Equipment Limited	-- 1			98477
		Everett McLaughlin D	Sept/81	210		21000
HARRIS STEEL GROUP INC	Class B Common	Greenbriar Holdings Limited	-- 1			5000
		Bruce J Timmerman S	Sept/81	4000		7000
		RRSP	-- 1			4300
		Harris Steel Group Inc Employees' Pension Plan	Sept/81	500		5800
			Sept/81	1000		1000
HARVEY WOODS LIMITED	Common	Milton E Harris S	--			39
		Milton Harris Investments RRSP	Sept/81 1	3300		813570
			-- 1			7751
		James Wilson S	Sept/81	500		14931
HEDMAN MINES LIMITED	Common	Ian Woods SI	I R			15250
		Executor I R	I R 1			16352
		H K Passmore S	Jun/81 A	1777		47383

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
HIGHFIELD PROPERTY INVESTMENTS LTD	Common	James E Clark Amended Trust RRSP Jecco Corporation	Jul/81	1	585000	1309619
			--	1		10722
			--	1		60277
HIGHLAND QUEEN SPORTSWEAR LIMITED	Class A	Mrs. Susan Eidelman DI Amended	Aug/81		1750	20
			Sept/81	2425		18675
			I R	2000		2000
HIGHWOOD RESOURCES LTD	Common	Joseph Delmastro	Sept/81			
			I R	2000		
HIRAM WALKER RESOURCES LTD	Common	Victor F Burstall	DS			
	Common	Edward W H Tremain Wife	S			
			Oct/81	T	59	5000
			Oct/81			41
			--	1		
	Pref	Robert J Tebbs* Wife	D			
			Sep/81		20000	20425
			-	1		2240
	Common	Glen T Waugh Wife	SI			
			Sept/81	1	3400	
			Sept/81	1		
HOLLINGER ARGUS LIMITED	Common	Dixon S Chant	D			
			Sept/81	E	500	
	Class A	Donald A McIntosh	D			
			Sept/81	E	750	
	Common	Charles G Cowan	DS			
			Sept/81		100	
	Class A	Thomas G Bolton	D			
			Sept/81	E	50	
	Common	Charles B Ross	DS			
			Sept/81	E	325	
	Class A	David M Dunlap	D			
			Sept/81	E	592	

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
HOILINGER ARGUS LIMITED (continued)	Class A	Glen W Davis	Sept/81	E	100	---
		N M Davis				
		Corporation Limited	Sept/81	E1	100	---
HOLMER GOLD MINES	Common	Dominion Stores Limited				5465635
		B	I R			
		HCI Holdings Ltd	Sept/81	B	1300	213400
HUDSON BAY MINING AND SMELTING CO LIMITED	Common	Allan E Dobson				
		Employee Savings				
		Plan	Sept/81	1	3	36
HUDSON'S BAY COMPANY	Common	Sol D Nayman	I R			
		Share Ownership Plan	I R	1		2725
		Sons	I R	1		458 40
HUDSON'S BAY OIL AND GAS COMPANY LIMITED	Preferred	Hudson's Bay Company	Sept/81		18537	
			Sept/81	R		---
		Hudson's Bay Company	Sept/81		502	
	Common		Sept/81	R		---
		Hudson's Bay Company	Sept/81	E	805732	3011145
		Hudson's Bay Company	---	E		7701288
		Leonard B Bannicke	Sept/81	1	14	3849
		Profit Sharing Plan				
		Kenneth W Lloyd	Sept/81	1	18	3477
		Profit Sharing Plan				
		William D Storey	---			60
		Profit Sharing Plan	Sept/81	1	21	5318

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
HUDSON'S BAY OIL AND GAS COMPANY LIMITED (continued)	Common Series A Pref	Alfred R Travers S Profit Sharing Plan	Sept/81	1	15	2492
			Aug/81	X	1600	3200
	Common	Walter L Christie DI Profit Sharing Plan	Sept/81	1	12	745
			Sept/81	1	27	1360
		Roy L Hawthorn D Profit Sharing Plan	Sept/81	1	12	2022
			Sept/81	1	11	1039
		David R McDonald D Profit Sharing Plan	Sept/81	1	15	4075
			Sept/81	1	15	474
		Raymond C Sawka D Profit Sharing Plan	Sept/81	1	15	1512
			Sept/81	1	11	1727
		Dale I Beischel S Profit Sharing Plan	Sept/81	1	20	789
			Sept/81	1	16	1477
		Orest Humeniuk S Profit Sharing Plan	Sept/81	1	18	174
			Sept/81	1	18	174

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
HUDSON'S BAY OIL AND GAS COMPANY LIMITED (continued)		Donald L Podgurny SI Profit Sharing Plan	Sept/81 1	14		916
		William E Selby S Profit Sharing Plan	Sept/81 1	14		6032
	Common	Bruce G Hartwick SI	Sept/81	500		500
HUSKY OIL LTD		Charles A Bell D	Sept/81		400	----
I T L INDUSTRIES LIMITED	Preference A	Imasco Limited Montreal Trust Company	Sept/81 1	3200		12833
IMASCO LIMITED	Common	George E Courtnege DI Savings Plan	Sept/81 T Sept/81 T1	10 15		1081 1586
		James W Flanagan DS Savings Plan	Sept/81 Sept/81 1	11 27		1236 2887
		Arden R Haynes DI Savings Plan	Sept/81 T1	39		4065
IMPERIAL OIL LIMITED		Donald D Loughheed DI Savings Plan	Sept/81 T Sept/81 T1	34 46		3552 4890
		Donald K McIvor D Savings Plan	Sept/81 T Sept/81 T1	39 1		4151 191
		George A Rogers S Savings Plan	Sept/81 T ---	5 1		67 580
		Raymond Wilkinson DI Savings Plan	Sept/81 T ---	6 1		24 646

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
IMPERIAL OIL LIMITED (continued)	Class A	John A Armstrong Savings Plan	D Aug/81 M	18585		18585
			Aug/81 M1	1368		1368
	Class B	John A Armstrong Savings Plan	Aug/81 M		18585	---
			Aug/81 M1		1368	---
		William E Beacom Savings Plan	S Sept/81 1	2		239
	Class A Common	Morley G Handford Savings Plan	S Sept/81 1	68		515
		Robert E Landry Savings Plan	S --			1250
			Sept/81 1	75		498
	Class B Common	Robert E Landry	Sept/81 T1	30		3183
		James G Livingstone Savings Plan	S Sept/81	71		7446
			Sept/81 1	34		3623
		Angus M Lott Savings Plan	S Sept/81 T1	25		2629
		Douglas H MacAllan Savings Plan	S --			397
			Sept/81 T1	21		1915
	Class A	John W Platts	DI I R			265
	Class B	Peter Stauff Savings Plan	S Sept/81 T	12		24
			-- 1			1300
		William A West	S Sept/81 T	2		40
		Gordon J Willmon Savings Plan	DI Sept/81 T	17		540
			-- 1			1266
	Class A	Exxon Corporation	B Sept/81	16000		108872499
	Class B		Sept/81 T	4653		484564

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
INCO LIMITED	Common	Reva Gerstein	D Sept/81		250	---
INDAL LIMITED	Common	Peter G Selley	S Sept/81		50	42
INDUSMIN LIMITED	Common	Falconbridge Nickel Mines Limited	B Sept/81	1600		807630
INEXCO OIL COMPANY	Common	Clive G McKnight	S May/81 X	4000		5800
INTER-CITY GAS CORPORATION	Common	Wayne R Harding	DS Sept/81	5600	4400	10000
		Spouse	Sept/81 M	4400		5000
INTER-PROVINCIAL DIVERSIFIED HOLDINGS LIMITED	Common	Inter-Provincial Diversified Holdings	Sept/81 R	5600	5600	---
INTERMETCO LIMITED	Common	Parkdale International Limited	B Sept/81	2000		306791
INTERNATIONAL BUSINESS MACHINES CORPORATION	Common	John H Grady Amended	S May/81 G		618	4516
		Children	May/81 C	1304		
			May/81 G1	618		
			May/81 I		100	1019
			Sept/81 I		100	919
		Thomas C Irwin	S Sept/81 G		40	135
		Spouse	Sept/81 G1	40		194
		Thomas J Watson Jr	D Sept/81 G		767	181334
		Wife	-- I			72138

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
INTERNATIONAL MOGUL MINES LIMITED	Common	Conwest Exploration Company Limited	B Sep/81	400		2290757
INTERNORTH INC	Common	David L Grove Jointly with wife	--			400
		Pension Plan Trust	--			500
			Sept/81	1	500	2300
INTERPROVINCIAL PIPE LINE LIMITED	Common	James G Livingstone DS Royal Trust Company	--		6	250
			Sept/81	T1		53
INVERMERE RESOURCES LTD	Common	York Centre Corporation	B Sep/81	40700		659500
	Units	Albert J Davis	DI Sep/81		8000	---
INVERNESS PETROLEUM LTD	Common	Gordon G Goodfellow SI RRSP	Sept/81	1	1000	2000
INVESTORS GROUP, THE	Common	Paul Desmarais Power Corp of Canada Ltd Shawinigan Industries Ltd	Sept/81	1	115	170634
		Trans-Canada Corp Fund Ltd	-	1		4334566
	Class A	Power Corp of Canada Ltd	-	1		2292656
			Sept/81	1	7800	719317
			-	1		2249308
			-	1		2775208
	Preferred	Trans-Canada Corp Power Corp of Canada Ltd Shawinigan Industries Ltd	Sept/81	1	600	190495
		Trans-Canada Corp Fund Ltd	-	1		538096
			-	1		538096

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
IRVCO RESOURCES LTD	Common	Irving Industries Ltd	B Sept/81	2000		4005500
IU INTERNATIONAL CORPORATION	Common	John G Christy	DS Sept/81 T Sept/81 X	2215 10000		43570
J-Q RESOURCES INC	Common	Harry Koza	DS Sept/81	500		65500
JAMELAND MINES LIMITED	Common	John G Tait	DS Sept/81		20000	105000
JANNOCK LTD	Preference	Evar Y Carlson	DSI Sept/81		2000	---
JAPAN FUND INC THE	Common	Louis J Rice Jr Wife	D Sept/81 -- 1	2000		18014 500
JOFFRE RESOURCES LTD	Common	K R Evans*	S Sept/81		3550	39
JOHN LABATT LIMITED	Common A	Peter A Philipchuk DISI	DS Aug/81 Sept/81	2000 10000		1077683
		Norman E Hardy RRSP	DS -- Sept/81 1	3		15020 239
		Richard L Hooley RRSP Executive Share Purchase Plan	S -- Sept/81 1 -- 1	4		180 261 720
		Dean C Kitts RRSP Executive Share Purchase Plan Executive Share Option Plan	S -- Sept/81 1 -- 1 -- 1	5		500 370 500 2000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
JOHN LABATT LIMITED (continued)	Common A	J Maurice Legault RRSP	Sept/81 1			263
		Executive Share Purchase Plan	1			500
		Executive Share Option Plan	1			2400
		Wallace F Read RRSP	Sept/81 1 1	144		498 1000
		Guy Saint-Pierre RRSP	Sept/81 -- 1	141		400 297
		Executive Share Option Plan	-- 1			3000
		Peter Widdrington RRSP	-- Sept/81 1	146		6000 655
		Gerald E Wilson RRSP	-- Sept/81 1	7		538 512
		Executive Share Option Plan	-- 1			2500
		David R Clare	Sept/81 G		1	59678 4500 5361
JOHNSON & JOHNSON	Common	Other Indirect	-- 1			
		John C Walcott	-- Sept/81 1 1	350		9060 800 3015
		Nicholas L Majendie	Sept/81 D		25000	75000
JONPOL EXPLORATIONS LIMITED	Common	James H Slater	Sept/81 D	2000		847000
JOEX LIMITED	Common	Richard E Nemis	Sept/81 D		2000	---

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
K T RESOURCES	Common	Gordon T Campbell	DB Sept/81		50000	400000
K-TEL INTERNATIONAL INC	Common	Russell G Greene	S Sept/81	X 600		600
KAM-KOTIA MINES LIMITED	Common	H Vance White	DS Sept/81 Sept/81	3200	5000	4201
KELLY DOUGLAS & COMPANY LIMITED	Class A	Loblaw Companies Limited Edward Douglas Investments Company Limited	B Sept/81	1 7750		526748
			--	1		3756855
KERR ADDISON MINES LIMITED	Common	William James Amended	DS 1980-81	T 220		7820
LA VERENDRYE MANAGEMENT CORPORATION	Common	Leo Vanasse	D Aug/81	25		5390
LAILAW TRANSPORTATION LIMITED	Class A	Laurence Needler Fairway Heights Investments Ltd	D DISI Sept/81	1 10400		117800
	Class E	John W Macdonald*	DI Sept/81 Sept/81	600	990	600 2000
LAURASIA RESOURCES LIMITED	Common	Arthur C A Howe A C A Howe International Ltd Arthur C A Howe	D Sept/81 Sept/81	16515	9700	407548
	Warrants		-- Sept/81	1 F	16515	1706 ----

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
LEIGH INSTRUMENTS LIMITED	Class 2	Farooque Dawood Dafina Holdings 441560 Ontario Limited	Sept/81 1 -- 1	10000		23200 43900
LEVY INDUSTRIES LIMITED	Common	Seaway Multi-Corp Limited	Sept/81 Sept/81	300 6600		1252672 163565
LITTLE LONG LAC GOLD MINES LTD	Common	Richard Smith	Sept/81		3000	5000
LOBLAW COMPANIES LIMITED	Common	William A Sloan	Sept/81	2000		2000
LONMED HOLDINGS LIMITED	Class A	District Trust Company	I R I R			199 199
LYNDEX EXPLORATIONS LIMITED	Common	Peter M Blunt	Sept/81 X Sept/81	10000	10000	---
M W RESOURCES LIMITED	Common	Dennis W L Fairbairn	Sept/81	30000		58000
MACMILAN BLOEDEL LIMITED	Common	Hal Holden Nils F W Peppler John S R Montgomery RRSP	I R Jun/81 I R 1	1645		1645 58
MACQUEST RESOURCES LTD	Common	John W MacKenzie	Sept/81	900		2062975
MAGNA INTERNATIONAL INC	Class B	Frank Stronach Beechwood Farm Limited	Sept/81	14700		864306 113367

ISSUER	SECURITY	INLDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
MAGNA INTERNATIONAL INC (continued)	Class B	Bronze Dolphin Limited	--	1		30000
MAGNETICS INTERNATIONAL LTD	Common	Nathan E Goodman	Sept/81	2440		7101
		RRSP	--	1		27500
		Other Indirect	--	1		256000
MAJESTIC WILEY CONTRACTORS LIMITED	Common	Bernard Leebosh	Sept/81	2440		117901
		Curtis April & Associates Ltd	Sept/81	100000		100000
		J Kenneth Halladay	Sept/81	X	2222	2244
MANDARIN MINES LIMITED	Common	Levern G Wasylynchuk	Sept/81	X	2023	2055
		Champlain Charest	Jul/81		185000	23500
MARK'S WORK WEARHOUSE LTD	Common	Michael J Fox	I R			---
		Peter F Chodos Spouse	I R	1		500
		Ronald Iwamoto	DS			164867
MARKS & SPENCER CANADA INC	Common	233509 Alberta Ltd	I R	1		763431
		Wladyslaw Kaczmarek DB Kacz Holdings Ltd	I R	1		1
		P Andre Gervais	S	I R		
MARSHALL BOSTON IRON MINES LTD	Common	Gerald W Hedican	DS	Sept/81	25000	81500
		Paul G Jeffrey	D	Sept/81	800	800
MASCAN CORPORATION (FORMERLY S B MCCLAUGHLIN ASSOCIATES LIMITED)	Common					

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
MCPHAR INSTRUMENT CORPORATION	Common	Philip C Allanson	DS Sept/81	1000		105830
MDS HEALTH GROUP LIMITED	Class A Common	Dr Janet A Buckley	S			3666
	Class B	489230 Ontario Inc	I R 1			4583
	Class A	Deferred Profit Sharing Plan	K Sept/81	4400		
	Class B		Sept/81		117	317637
			Sept/81	5100		
			Sept/81		136	321320
	Class B	John B French	S Sept/81			
		429941 Ontario Limited	I R 1			8334
			I R 1			10417
MEDLON SMALL BUSINESS DEVELOPMENT LIMITED	Class A	District Trust Company	B I R			199
	Common		I R			995
MENTOR EXPLORATION AND DEVELOPMENT CO LIMITED	Common	Agnico-Eagle Mines Limited	B Sept/81	13500		1077200
MERCANTILE BANK OF CANADA THE	Common	Bernard J Goyette	S Sept/81	1000		3266
MID-EAST DEVELOPMENTS LTD	Common	G S White Amended	DS Jun/81	200		92799
		Mirger Holdings Ltd	--- 1			362500
MINERAL RESOURCES INTERNATIONAL LIMITED	Common	Max Tanenbaum	B			
		430652 Ontario Limited	Sept/81 1	254400		2685339

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
MITEL CORPORATION	Common	Leslie Barton	S Jun/81 X Sept/81	124 100		4655 4755
		William B Kiss	S Feb/81 X Mar/81 X1 Mar/81 1	611 57 598		7011 7666
		Donald C Webster Helix Investments Limited Trustee	D Sept/81 1 -- 1		90300	1159700 30000
		Reginald F Belliveau	S I R			25
MOLSON COMPANIES LIMITED THE	Class A	Robert D Stuart Jr Trust	D I R 1			500
		Donald G Willmot Willcrest Limited Willhaven Limited Donald G Willmot	DS -- Sept/81 1 -- 1		5335	892 --- 314
		Colin J Parsons	DS Sept/81		3000	12074
		Taylor Woodrow Limited Taylor Woodrow Holdings Limited	B Sept/81	5445		1400766
MONARCH INVESTMENTS LIMITED	Common	Donald R Wilson	S Sept/81		245	3000
		James Leslie	D Sept/81		1300	20
MONENCO LIMITED	Class A Common	Homer T Anderson	S Sept/81 Sept/81	1500		900
MOORE CORP LTD	Common					

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
MORRISON PETROLEUMS LTD	Common	Argor Explorations Ltd*	B Sep/81	4100		1308757
		Morrison Petroleum Ltd*	Jul/81 Aug/81	25700 14000		25700 27100
MSZ RESOURCES LTD	Common	David F Pols D P Professional Services Ltd	SI Sept/81	1 20000		20000
MTS INTERNATIONAL SERVICES INC	Common	Ronald W Beck In Trust	S I R I R	1		68703 7275
		James N Gardner 22140 Alberta Ltd	DS I R	1		2517066 950831
		John D Cairney	S I R			99242
		Robert M Thomas	S I R			18704
		Morley M Miller 22114 Alberta Ltd	DS I R	1		2825638 950831
		Alastair Stevenson	D Sept/81		14300	75800
		Antoine de Lotbiniere Panet Phileric Investments Corporation Perlaw Limited	D I R I R	1 1		21250 850
MUNICIPAL SAVINGS LOAN CORPORATION THE	Common	Maxwell L Rotstein DSB DISI	-- Sept/81	1 1300		1254 933774
MW RESOURCES LIMITED	Series A Series B	John R Milledge	S I R			800 200

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
N M DAVIS CORPORATION LIMITED	Common	Robert W Paterson	D Sep/81		3273	---
	Non Voting Preferred		Sep/81		65460	---
NAHANNI MINES LIMITED	Common	J A Harquail	DS Sep/81	1000		490699
	Series "A" Warrants	RRSP	- Sep/81	1 2000		54000 6000
NASHUA CORPORATION	Common	William E Conway Wife	DS Sep/81	G 1	100	17675 1900
NATIONAL BANK OF CANADA	Common	Claude Jasmin	S Aug/81		150	10
		Benoit Morin	S I R			100
		Claude Jasmin	S Aug/81		150	10
NEARCTIC RESOURCES INC	Common	Patrick J Sullivan	DS Sep/81	F 1000		1000
	Warrants		Sep/81 Sep/81	F	1000 1000	2000
NEOMAR RESOURCES LIMITED	Common	William O Morris	SI I R			1000
NORANDA MINES LIMITED	Common	Brascan Limited Brascade Resources Inc	B			
	Preferred		Oct/81	1 22500585		46860975
			Sep/81	1 177771		2135278
			Oct/81	1 1800032		

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
NORANDA MINES LIMITED (Continued)	Common	Edwin K Cork	Jun/81	T	260	
			Aug/81		10000	
			Sep/81		2821	
			Sep/81	T	520	16881
NORBASKA MINES LIMITED	Common	Sentinel Associates Limited	Aug/81	T	139	111
						1000
						10000
						108000
NORCEN ENERGY RESOURCES LIMITED	Common	Dr Hugh D MacKenzie	I R			1913
			I R			
			Sep/81		1500	
			Sep/81		382	
NORMICK PERRON INC	Common	Russell G Rennle	Sep/81		317	716
			Sep/81		125	4525
			Sep/81		25	12025
			Sep/81		150	9875
NORTH CANADIAN OILS LIMITED	Common	Bill A Kurucz	Aug/81		1000	700
NORTH WEST TRUST COMPANY	Common	Alan K Olinsky Alcor Equities Ltd	I R	T		30
			I R	T		130
NORTHERN AND CENTRAL GAS CORPORATION LIMITED	3rd Preferred "B"	Norcen Energy Resources Limited	Sep/81	R	13102	106919
NORTHERN TELECOM LIMITED	Common	R St Clair Hurlbut Reinvestment Plan Sons	Sep/81	T	6	1075
			-	T		18
			-	T		40

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
NORTHERN TELECOM LIMITED (Continued)	Common	Bell Canada	B Sep/81	T 114833		19179896
		W M Robinson, Jr	DI Sep/81	200		200
	Common	Frederick W Hurst	D Sep/81	5000		48000
NORTHSTAR RESOURCES LTD	Common First Preferred "A" Convertible		Sep/81	2000		7000
	Common	Brockwell P Mordy	DS Sep/81		1000	64400
NORTHUMBERLAND MINES LIMITED	Common	William J Deyell	S Feb/81	V 6802		
			May/81	800		11003
			Jul/81	X 30000		41003
		RRSP	May/81	V1 1000		1500
NOVA, AN ALBERTA CORPORATION	Class "A" Convertible	H Rodney Gerla	D -			3933348
		RRSP	Sep/81	1 100		30168
	Class "A" Convertible	Ralph T Scurfield	DSB -			4541260
		RRSP	Sep/81	1 1	14700	210983
		Other Indirect	-	1		800092
	Class "C" Non-Voting Convertible		Sep/81	21300		248362
		RRSP	Sep/81	14700		201334
		Other Indirect	-	1		50003
	Common "A"	Nu-West Group	Sep/81	40000		
	Common "C"	Limited	Sep/81	R 40000		
NU-WEST GROUP LIMITED	Preferred Series "C"		Sep/81	65300	65300	
			Sep/81	R 2050		
			Sep/81	R 2050	2050	

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
NU-WEST GROUP LIMITED (Continued)	Debentures Series "A"		Sep/81	\$15000		---
			Sep/81		\$15000	---
	Debentures Series "B"		Sep/81	\$12000		---
			Sep/81		\$12000	---
	Debentures Series "C"		Sep/81	\$10000		---
			Sep/81		\$10000	---
	Debentures Series "D"		Sep/81	\$98000		---
			Sep/81		\$98000	---
NUFORT RESOURCES INC	Debentures Series "E"		Sep/81	\$25000		---
			Sep/81		\$25000	---
	Common "A"	Murray L. Fox RRSP	Sep/81		5000	---
			-			3000
NUINSCO RESOURCES LIMITED	Common	J A Harquail Impact Investments Ltd Surveymin Ltd	Sep/81			586230
			Sep/81	1000		151072
			-			500951
NUMAC OIL & GAS LTD	Common	James Wilson	Sep/81	7500		52505
	Common	C R S Montgomery C E C Investments Ltd	Aug/81		700	8890
OCCIDENTAL PETROLEUM CORPORATION			-			50000
			-			
	Common	Armand Hammer Thrift Plan Spouse	Jun/81	2060		1123572
			-			32307
NUINSCO RESOURCES LIMITED	Common	Thomas D Jenkins Thrift Plan	Jun/81			8581
			-			
			-			49589
NUINSCO RESOURCES LIMITED	Common	Zoltan Merszei	Jun/81	600		6815
			-			25038

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
OCCIDENTAL PETROLEUM CORPORATION	Common	James R Cross Thrift Plan	S 1981 Jun/81 1	202		500 1676
		Donald L Baeder Thrift Plan	S - Jun/81 1	543		35247 5350
		Angelo Ieparulo Thrift Plan	S - Jun/81 1	573		23228 6575
		Ronald H Asquith Thrift Plan	S - Jun/81 1	168		100 620
		Ronald B Casriel Thrift Plan	S - Jun/81 1	375		4700 5146
		James R Cross Thrift Plan	S Oct/77 Jun/81	202		500 1676
		A Robert Abboud Thrift Plan	DS - Jun/81 1	798		5533 1111
		Norman D Alexander Thrift Plan	S - Jun/81 1	337		4600 4443
		Spencer Flournoy Thrift Plan	S - Jun/81 1	285		2200 3038
		Paul C Hebner Thrift Plan Trust	DS Jul/81 Jun/81 - 1	635	50	54814 9792 6000
		Robert D Richley Thrift Plan	S - Jun/81 1	183		357 183
		Guy H Watkins Thrift Plan	S - Jun/81 1	266		629 266

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
OCELOT INDUSTRIES LIMITED	Common "A"	Basil R Cheeseman	D I R			300
	Common "B"		I R			10000
	Class "B"	Royden O Fisher	DS Sep/81	300		28100
		James E Torrie	S Sep/81 Sep/81 M	300	300	3840
		Torrie Investments Ltd Other Indirect	Sep/81 M1 -- 1	300		300 2760
OLD CANADA INVESTMENT CORPORATION LIMITED		Kenneth M Guise	S Sep/81 X	800		8821
	Common	Douglas A Berlís	D Sep/81	3400		46526
OMEGA HYDROCARBONS LTD	Common	Thomas J Hall	DS --			942040
		Alberta Gas Products System Ltd New North Oil & Gas Ltd	Sep/81 1 -- 1	10900		552880 61400
PAGURIAN CORPORATION LIMITED, THE	Class "A"	John M Judson Employees Stock Option Plan	DS -- Sep/81 X1		2000	2000 12000
PAN CENTRAL EXPLORATIONS LTD	Common	David J Markle Son Daughter	D -- Sep/81 1 Sep/81 1		4000 4000	200 ---- ----
PANCANADIAN PETROLEUM LIMITED	Common	Ian D Sinclair	DS Sep/81	200		1200

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
PARK LANE, THE	Limited Partnership Units	Aquitaine Properties Ltd	B I R			51
PE BEN OILFIELD SERVICES LTD	Common	Warren J A Michell DB Qu'Appelle Holdings Ltd Arnica Investments Ltd Craigengower Investments Ltd Beach Tree Investments Ltd Corfell Investments Ltd Tappin Holdings Ltd Lingin Holdings Ltd	I R I R I R I R I R I R I R I R	1 1 1 1 1 1 1 1		2700 25000 25000 50000 50000 25000 25000
		Wife	Jul/81 Aug/81	20700 1300		20700 22000
PEERLESS RUG LIMITED	Common	George J Fisher David H Price	DS D Sep/81 Jul/81	4000 100		7500 3801
PELANGIO LARDER INES LTD	Common	James N A Mortson	D Sep/81 Sep/81	1000 1000		47000 48000
PHILLIPS PETROLEUM COMPANY	Common	Cecil J Silas Dividend Reinvestment Plan Carstens Slack Company Dividend Reinvestment Plan	S - S Sep/81 Sep/81	28 28 4		2008 28 300 4

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
PINETREE EXPLORAITONS LIMITED	Common	Edward M Rawlings	D I R			1000
		George S Slightham	D I R			1000
PLACER DEVELOPMENT LIMITED	Common	Anthony J Petrina	S Aug/81	10000		10000
		Stock Purchase Plan	Aug/81	1		1769
		RRSP	Aug/81	1		152
POLYCOM SYSTEMS LIMITED	Common	Thomas L Anderson	S Sep/81		2000	5500
PONDER OILS LTD	Common	Eric Nissen	DS Sep/81	4000		2514967
POWER CORPORATION OF CANADA	15¢ Participating Preferred	Paul Desmarais	B			
		Gelco Enterprises Ltd	Sep/81	1	400	1707370
		Transportation Maraquement Corporation	-	1		1025100
PREMIER TRUST COMPANY, THE	Common	Victoria and Grey Trust Company	B Oct/81	1462		24500
		Victoria and Grey Trustco Limited	Oct/81	1	958	958
PROVIGO INC	Common	Jean-Louis Lamontague	S Sep/81		70000	113552
PYX EXPLORATIONS LTD	Common	David R Cromble	S Sep/81	50000		60000
		Walter Steuerman	DS Sep/81	10000		19000
		Robert H Byrne	D Sep/81	10000		12053
Q M G HOLDINGS INC	Common	Irving S Lindzon	DS			
		370815 Ontario Limited	Sep/81	X1	10000	
			Sep/81	1	10000	800000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
QUAKER OATS COMPANY, THE	Common	Jon K Grant	S Sep/81		500	3400
		Richard H Glantz	S Sep/81	G	45	1000
QUARTET ENERGY RESOURCES LTD	Common	Victor M Seabrook DSSI 350021 Ontario Limited Seabrook & Associates	- Sep/81 - 1 1	11200		60700 23900 12684
QUARTZ CRYSTALS MINES LIMITED	Common	Russell C Stelk	DSB Sep/81		1600	272144
QUEBEC GOLD BELT MINES, LTD	Common	C Taylor Wettlaufer	DS Dec/80		2174	141000
RAM PETROLEUMS LIMITED	Common	Donald C Webster Trustee for Family Trust	- Sep/81	6000		27017 123318
RANCHMEN'S RESOURCES (1976) LTD	Common "A" Cumulative Redeemable Convertible 1st Preferred	Jacqueline Brackpool	S Sep/81		500	21
			Sep/81		150	150
		Carman Byler	D Sep/81	500		1500
	Common "A"	Total Eastcan Exploration Ltd	B Sep/81	3000		265900
RAYROCK RESOURCES LIMITED	Common	Rayrock Resources Limited	Sep/81	4000		10000
REALCAP HOLDINGS LIMITED	Class "A"	David S Ades D Ades Management Co RRSP	- Sep/81 -	2000 1		12735 8250 10535
REED STENHOUSE COMPANIES LTD	Common "A"	Stenhouse Investments Ltd	B Sep/81	1713		65648

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
REICHOLD LIMITED	Common	William H Munden	DS Sep/81		500	400
REITMANS (CANADA) LIMITED	Common	Jeremy H Reitman	DS Sep/81 M		1401	100
	Class "A"		Sep/81 M		5144	---
	Common	Stephen F Reitman	S Sep/81 M		1050	100
	Class "A"		Sep/81 M		4642	---
RIO ALTO EXPLORATION LTD	Common	Janet P Hille	S Sep/81	2000		4000
ROGERS CABLESYSTEMS INC	Common "A"	John W Graham	DS Sep/81	2000		2000
		Thomas I Hull	DDI Sep/81	1 20000		78600
		Edward S Rogers	B Sep/81	1 76700		3376740
	Common "B"		Sep/81	1 90000		5490306
RONYX CORPORATION LIMITED	Common	Electra Investments (Canada) Limited	B Sep/81	45300		536300
ROXY PETROLEUM LTD	Common	W D C Mackenzie	D Oct/81	3000		93114
		Vernon E Daughney	D Sep/81	1		
		Betruist Investment Corporation Ltd	Sep/81			
ROYAL BANK OF CANADA, THE	Common	Jock K Finlayson	DS 1981 T	132	15500	484500
		D F W Bruce	S 1981	56		3415
		John C McMillan	S 1981	111		937
						2209

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
ROYAL BANK OF CANADA, THE (Continued)	Common	John G Macpherson	S 1981	40		240
		W Earle McLaughlin	D 1981	185		6545
		William P Wilder Whitshed Limited	D 1981 -- 1	200		6750 11250
ROYAL TRUSTCO LIMITED	Class "A"	M Fraser Blakely RRSP	S Sep/81 -- 1	742		892 612
SCINTILORE EXPLORATIONS LIMITED	Common	Newlore Investments Ltd	B Sep/81	39200		39200
SCINTREX LIMITED	Common	Gerald Stork	DS Sep/81	2400		6757
SCOTTS HOSPITALITY INC	Common	F Ronald Graham Graymont Limited	Sep/81 1		896	--
			Sep/81 1Z		2240000	--
			Sep/81 1Z		1910000	--
SEAWARD RESOURCES LTD	Common	Roumont Holdings Inc	Sep/81 1Z	224000		224000
			Sep/81 1Z	191000		191000
			Sep/81	10000		204402
SEAWAY MULTI-CORP LIMITED	Preferred	Benlevy Corporation Limited	Sep/81	25		13400
			B Sep/81			
			B Sep/81	25		54502
SEAWAY TRUST COMPANY	Common	Andrew F Markle 435713 Ontario Inc	--			100
			Sep/81 1	129629		320876
SECO-CEMP LIMITED	Preferred Series "B"	Charman Investments Inc	DS I R			25000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
SECO-CEMP LIMITED (Continued)	Preferred Series "B"	Alvin Schacter	SSI Sep/81	200		200
SHAW INDUSTRIES LTD	Common	Peter S McTait	S Sep/81		1100	1000
SHAWNEE PETROLEUMS LIMITED	Common	Wayne M McCoy	D Aug/81		2000	10000
SHELTER CANADIAN HOLDINGS LIMITED	Common	Shelter Canadian Holdings Limited	B Sep/81	46800		1515840
SHELTER HYDROCARBONS LIMITED	Common	Daniel C Casey	D Sep/81		5500	4000
SHEPHERD PRODUCTS LIMITED	Common	Shepherd Products Limited	Sep/81 Sep/81 R	2200	2200	---
SHERITT GORDON MINES LIMITED	Common	Robert D Lindberg	DS 1981	335		435
SILVERWOOD INDUSTRIES LIMITED	Class "B"	Execsill Corporation	B Sep/81	1300		224926
SIMCOE ERIE INVESTORS LIMITED	Common	Stradwick Investments Canada Limited	B Sep/81	500		941616
SKYE RESOURCES LTD	Common	Nathan E Goodman Ned Goodman & Associates Ltd	DI I R 1			7000
		Myron I Gottlieb	SI Sep/81	1725		6225
		Richard L Lister	DISI Sep/81	100		800
SOUTHAM INC	Common	John D Muir	D Aug/81	200		1400
		Adam H Zimmerman Merman Holdings Ltd	D Sep/81 1	200		1200

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
SPAR AEROSPACE LIMITED	Common	Crowborough Investments Limited	B Sep/81		2000	477680
SPRUCE FALLS POWER AND PAPER COMPANY, LIMITED	9 1/4 Debentures Series "A" Due Mar.1/94	Spruce Falls Power and Paper Company, Limited	R Sep/81 R Sep/81 R Sep/81 R Sep/81 R Sep/81	\$9000 \$1000	\$100000	
STANDARD OIL COMPANY (INDIANA)	Common	Victor H Brown	S Sep/81 F Sep/81	9000 3370	\$9000 \$1000	46117
STEEP ROCK IRON MINES LIMITED	Common	William R Hutchinson Canadian Pacific Limited Canadian Pacific Enterprises Limited	S I R B Sep/81 1 Sep/81			400
STRAND OIL & GAS LTD	Common	Stuart G Dunn	D Sep/81		4000	8500
STRATHCONA RESOURCES LTD	Common	Cancom Equity Fund/ Cancom Management Limited	Sep/81	1900		6236442
SULLIVAN MINING GROUP LTD	Common	Claude Genest	D I R		38500	235000
SULPETRO LIMITED	Common B"	Vangus Resources Ltd	B Sep/81 E Sept/81 Sep/81	800 2222	1000	25266
SUNMIST ENERGY RESOURCES LIMITED	Common	Rudolph H Brondyke R H B Investments Ltd	DS Sep/81 1	12000		142500
						280000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
SYSTEMHOUSE LTD	Common "A"	Roderick M. Bryden DS	Sep/81	9200		6423750
T G BRIGHT & CO LIMITED	Class "A"	William C Thompson S RRSP	Sep/81 1	100		500 800
TALCORP ASSOCIATES LIMITED	Class "A"	R W Brissenden DS	Sep/81	5000		40000
		George H Montague DS	Sep/81	5000		50280
TANGELWOOD PETROLEUM CORPORATION	Common	Gerald Steiner DSB	I R			187501
	Preferred		I R			187500
	Common	Leonard Bednarz D	I R			1
TECK CORPORATION	Class "A"	Daniel R Michener DS	Sep/81 M	2000		2000
	Class "B"		Sep/81 M		2000	---
	Common "B"	Copperfields Mining Corporation B	Sep/81	200		2507085
TENNECO INC	Common	Henry U Harris, Jr D 1937 Trust	Sep/81 1	1000		5000
		M W Meyer S Thrift Plan	Sep/81	115		4416
		Kenneth L Otto S Thrift Plan	Sep/81 1	10		231
		Walter W Sapp S Thrift Plan	Sep/81 1	49		980
		William H Sitter S Thrift Plan	Sep/81 1	49		1131

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
TENNECO INC (Continued)	Common	S F Allison Thrift Plan ADRS Plan	-			9745
			Sep/81	1	323	11895
			Sep/81	1	182	482
		James K Ashford Thrift Plan	-			2500
			Sep/81	1	171	6164
TEXAS EASTERN CORPORATION	Common	James L Ketelsen Thrift Plan	-			19500
			Sep/81	1	162	5228
		C E Morrison Employees' Stock Purchase Plan	Jul/81		240	
			Jul/81		240	
TEXASGULF INC	Common	David C Edmiston Wife Wife as Custodian for Son	Jul/81	1	28	282
			Jul/81	C	237	
			Jul/81	1	3797	
		Canada Development Corporation CDC Nederland B.V.	Jul/81		1600	
			Jul/81			
THOMSON NEWSPAPERS LIMITED	Class "A"	Archibald R Megarry SI	Jul/81	1	460	
			Sep/81	1		
TINTINA MINES LIMITED	Common	Cecil H Franklin DSB Algonquin Mercantile Corporation Minaco Equipment Limited	I R Sep/81	2600		26593710
						600
						3200
		Robert M Franklin RRSP	-			20900
			Sep/81	1	5800	330400
						1860905
		Robert M Franklin RRSP	Sep/81	1100		25200
			-	1		6500

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
TOMBILL MINES LIMITED	Class "A"	Richard M Hogarth	D I R			27175
	Class "B"		I R			75
		Minorco Canada Limited	B Sep/81		500000	1266925
	Common	George W Oughtred RRSP	D I R	1		25000
TONECRAFT REALTY INC	Common	William P Strongman SB W A Strongman & Sons Limited	Sep/81	1 4000		92520
	Common	Ronald Glenn Bumstead	S Sep/81	500		3247
TORONTO DOMINION BANK, THE		Robert W Korthals	DS Sep/81	2000		8077
		The Pension Fund Society of The Toronto Dominion Bank	Sep/81	92000		164600
TORSTAR CORPORATION		Norman R Roth	S Aug/81	400		3563
	Class "B"	John M Cockburn	DS Sep/81 Sep/81	153	100	10711
		Torstar Corporation	Sep/81 Sep/81	6200	6200	---
	1st Preferred 1981 Series		Sep/81 Sep/81	12100	12100	---
TOTAL PETROLEUM (NORTH AMERICA) LTD		Peter Affeld	S I R			---

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
TRANS CANADA GLASS LTD	Common	Franann Holdings Ltd	B Sep/81	3265		785639
	Common "A"	Ross F Phillips	D Sep/81 1981	F 300 118		2035
	Common "A"	Harry G Schaefer	S 1981 1981	T 86 F 299		2027
TRIMAC LIMITED		James A Clow	S Sep/81	F 36		141
	Common	Donald K Jackson Parkview Holdings Limited	SI Sep/81		5000	337783
		Majorie E Simington SI	- Aug/81	1	5000	175900
TRIZEC CORPORATION LTD	Common	George D Mucalov Trustee	S Aug/81	1 5000		5000
		Thomas R Gilmour Amended Montreal Trust Co	S - Aug/81	1 7500		1300
		Arne U Hansen	S Sep/81 Sep/81	3500	3500	21500
		Monray Co	- 1			4000 16000
		Kevin E Benson	S Sep/81 Sep/81	800	800	---
		Carena-Bancorp Holdings Inc	B Sep/81	2274732		2729678

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
TRIZEC CORPORATION LTD (Continued)	1st Preferred Series "AA"		Sep/81		50000	15000
TRU WALL GROUP LIMITED	Common	Maurice Ursini Ursini Bros Limited	-			7745
			Aug/81	1	1900	
			Sep/81	1	700	85275
		Leonard A Ursini Ursini Bros Limited	-			19191
			Aug/81	1	1900	
			Sep/81	1	700	85274
		Leonard Ursini Investments Limited	-	1		65000
TURBO RESOURCES LIMITED	Common	Ronald M Maxwell	Sep/81		8000	34530
	Warrants		Sep/81		6198	193002
	Common	J G Pashniak	Aug/81		40253	29165
			-	1		2807
TWIN RICHFIELD OILS LTD	Common "A"	West-Can Resource Finance Corporation Ltd	Sep/81	B	1800	570399
	Common ""B"		Sep/81	B	10100	545399
ULTRAMAR COMPANY LIMITED	Common	Robert L McCarthy	Sep/81	X	10000	1000
			Sep/81		10000	
UNICAN SECURITY SYSTEMS LTD	Common	Solomon I Belzberg Solson Ltd	-			5135
			Sep/81	1	6800	15200
		Unican Security Systems Ltd	Sep/81		20800	140580

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
UNICORP FINANCIAL CORP	Class "A"	Lawrence A Brenzel B				
		L A Brenzel				
	Warrants	Securities Ltd	Sep/81 1		1000	17700
UNION CARBIDE CANADA LIMITED			Sep/81		5000	---
			Sep/81	2100		60000
	Common	John S Dewar DS Company Savings Plan	Sep/81 1	91		167
UNION GAS LIMITED	Common	Richard M Ivey D				
		Allpak Limited	Sep/81 E1	1000000		
	Class "A"		Sep/81 E1		1000000	---
	Common "A"	S T Bellringer* S	--			
			Aug/81 1	74		10576
			Sep/81 1	74		148
	Common	Ralph M Barford D Valford Holdings	Sep/81 M1	104637		103637
	Class "B"		Sep/81 1		104637	---
	Common	F Capewell DS Company Savings Plan	Sep/81 X	260		16717
			1981 1	500		2003
		Edna Crawford S Company Savings and Stock Investment	--			481
			Apr/81 1	37		
			May/81 1	68		
			Jun/81 1	39		
			Jul/81 1	41		
			Aug/81 1	79		
			Sep/81 1	43		2161
UNITED ASBESTOS INC	Common	Campbell Resources Inc B	Sep/81	247200		1333500

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
UNITED CANADIAN SHARES LIMITED	Common	United Canadian Share Limited	Sep/81	11600		11600
UNITED SISCOE MINES INC	Common	Camflo Mines Limited	B Sep/81	14000		2902600
UNITED STATES STEEL CORPORATION	Common	Ronald P Tappan	S Sep/81		493	333
UNITED TIRE & RUBBER CO LIMITED	Common	Charles Sherkin Inverary Investments Limited	Sep/81 -- 1	1450		474867
UNIVERSAL EXPLORATIONS LTD	Common	Joseph A Mercier*	Jun/81 Jun/81 Jul/81 Aug/81 Sep/81	1000 28180 55000 10800	400	549333
		Windrift Ranches Limited	Jun/81 Jul/81 Aug/81	1600 320 6000		556882
VEDRON LIMITED	Common	Leon F La Prairie	Sep/81		1000	12812
VERSATILE CORPORATION	Common "A"	David S Beatty Beatinvest	Sep/81 Sep/81 Sep/81	1000 1000 1000		2000
	Common "B"				1000	---
	Warrants		Sep/81 Sep/81	1000	2000	---
	Series "A" Preferred	Versatile Corporation	Sep/81	4300		13800

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
VICTORIA AND GREY TRUST COMPANY	Common	Victoria and Grey Trustco Limited	B Sep/81	1096		9096105
	Common	William C Hamilton	D Sep/81	31		2067
		William H Somerville	D Sep/81	T 155		10201
VILLACENTRES LIMITED		Peter J M Bloemen	D Sep/81	26		1768
	Common	Martin Cohos	D Aug/81	T 1536		
			V Aug/81	156672		235008
		Lee A Berthelsen	S Aug/81	T 550		
		James W McDowell	S Aug/81	V 52100		78150
VULCAN INDUSTRIAL PACKAGING LIMITED	Special	Alvin G Libin	DS DISI	T 1000		
		220482 Investments Ltd		V 102000		153000
	Common	David Hill	S Aug/81	T 116		
		Norman W V Purves	SI Aug/81	V 11832		17748
		Purvad Corp	T Aug/81	20		3060
			T Aug/81	320		
			V Aug/81	32640		
			1 Aug/81	1	500	48960
	Common	Arthur G Simpson	D Sep/81	2000		123000
		Albert J Cavan	DSB Sep/81	2000		449910
WAFERBOARD CORPORATION LIMITED	Common	J Conrad Lavigne	D Sep/81	10300		159656
		JCL Corporation	-	1		25670

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
WAJAX LIMITED	Series "A" Preferred	Gowan T Guest Family Trust	Sep/81	1	1200	1200
WARREN EXPLORATIONS LIMITED	Common	Donald T Rankin	Sep/81		1000	500
WASABI RESOURCES LTD	Common	Prospection Limited	I R			334400
		Donald R De Laporte	I R			6910
		William Hill	I R			66450
			I R			334400
		John N Harbinson	I R			150000
		Spouse	I R	1		37900
		Peter N Pitcher	I R			4625
WESTFORT PETROLEUMS LTD	Common	Alan D Fraser	I R			----
		John Bentley	I R			----
		Paul T Conroy	I R			224400
			I R	1		175000
		Robert Evans	I R			----
		James W Owen	I R			1500
WESTMIN RESOURCES LIMITED (FORMERLY WESTERN MINES LIMITED)	Common	Brascan Limited In Trust	Sep/81	1	367700	367700
			-	1		28191718
		Arthur E Soregarol	Sep/81		1000	10000
		P N T Widdrington	Sep/81		3000	5000
WHARF RESOURCES LTD	Common	William F Turnbull	Aug/81			26600
			Sep/81			30400

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
WIRED CITY COMMUNICATIONS LTD	Common	Cybermedix Limited	B Aug/81	200		388382
	Common	Peter J Biancotti	S I R			---
WITCO CHEMICAL CORPORATION		Arthur R Kuhn	S I R			---
		Lawrence B Nelson	S I R			5587
		Son	I R	1		137
		Daughter	I R	1		137
		Henry P Pruch	S I R			1800
YORK CENTRE CORPORATION		Robert J Seward	S I R			---
		Tom M Uhoda	S I R			1400
	Class "A"	James E Houston	D Sep/81		50000	50200
		Morgan Securities Ltd	Sep/81	200		
			Sep/81	1	200	40974
		Peter A Charlebois	D Sep/81	1250		2340
	Class "B" Warrants		Sep/81	1250		1250
	Class "A"	William J Mollare	DS Sep/81	2502		173563
	Class "B" Warrants		Sep/81	2500		2500
	Class "A"	Edward G Rowe	DS Sep/81	1000		
			Sep/81	12500		63500
		Wife	-	1		1500

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
YORK CENTRE CORPORATION (Continued)	Series "B" Warrants		Sep/81	12500		12500
YORK RUSSEL INC	1st Preferred Series "B"	York Russel Inc	Sep/81 Sep/81	471493	471493	---
	1st Preferred Series "C"		Sep/81 Sep/81	297576	297576	---
YVANEX DEVELOPMENTS LIMITED	Common	William J Fulop	Sep/81	40000		120000
ZAHAVY MINES LIMITED	Common	Ruby C Lewis	Sep/81		1000	17500
ZENMAC EXPLORATIONS LIMITED	Common	Jerry Iscove	Sep/81		5500	2500
ZEPHYR RESOURCES LTD	Common	Vernell Lindeburg	Sep/81	1000		503500
		John G McManus	Sep/81	5500		914000
		Albert J Davis	Sep/81		300	423700

REPORTS OF TRADES SUBMITTED ON FORM 20 (AND ITS PREDECESSOR)
UNDER THE SECURITIES ACT 1978

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
July 31, 1981		European & Pacific Investment Trust - units	\$ 124.20	16,103.143 units
Sep. 25, 1981		Cullation Lake Gold Mines Ltd. - Pro-missory notes payable on demand at prime plus 1%	2,426,666.17	\$ 2,426,666.17
June 30, 1981	Investors Group Trust Co. Ltd. - a/c 9000056	Federal Industries Ltd. - class "A" common	15.125	9,100 shrs
Sep. 28, 1981		Citicorp Canada Ltd. unsecured promissory notes	10,935,810.65	\$10,935,810.65
Oct. 2, 1981*	Moondust Resources Syndicate	Augdome Corp. Ltd. - common shares	3.15	39,000 shrs
Oct. 2, 1981*	Solar Rock Resources Syndicate	"	3.15	34,000 "
Oct. 7, 1981	Brascade Resources Inc.	Noranda Mines Ltd. - common shares	40.00	12,500,000 "
	* Ronald J. Farano	Granada Exploration Corp. - common shares with attached warrants	.60	50,000 "
Sep. 30, 1981	Irish Drilling Ltd.	Jamex Resources Ltd. 15% convertible debenture due September 30, 1984	400,000.00	\$ 400,000.00
Oct. 1, 1981	Twin City Insurance Services Limited	Reed Stenhouse Companies Ltd. - class "A" shares	10.78	23,170 shrs

* Report improperly filed

Continued

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Oct. 1, 1981*	The Prudential Assurance Co. Ltd.	Telebec Ltee - 18½% debentures series "O" due October 1, 1986	\$ 1,000,000.00	\$ 1,000,000.00
Oct. 1, 1981*	Commercial Union Assurance Group	"	1,000,000.00	1,000,000.00
Oct. 1, 1981*	Sun Life Assurance Co. of Canada	"	2,750,000.00	2,750,000.00
Sep. 25, 1981*	Dofasco Employees' Savings & Profit Sharing Fund	Revenue Properties Central Developments Ltd. - series "A" debentures	1,304,000.00	1,304,000.00
Sep. 25, 1981*	Dofasco Supplementary Retirement Income Plan	"	652,000.00	652,000.00
Sep. 25, 1981	Inuit Development Corporation	Royex Sturgex Mining Ltd. -Promissory notes prime rate plus 1%	232,805.00	232,805.00
Sep. 21, 1981	Arthur Marto	Transpacific Asbestos Inc. - common shares	2.25	20,000 shrs
Sep. 25, 1981	Interior Capital Corporation	Tierra Sands Ltd. - units of limited partnership interest	13.636%	\$US 200,000.00
Sep. 25, 1981	Armule Inc.	"	24.546%	US 360,000.00
Sep. 25, 1981	Tamco Enterprises Ltd. - in trust	"	6.818%	US 100,000.00
Sep. 25, 1981	Luarco Investments Florida Inc.	"	5%	nil
Sep. 25, 1981	Ted E. and Susan D. Bracken	"	2.5%	US 55,000.00
Sep. 25, 1981	Warren L. Serenbetz	"	2.5%	US 55,000.00

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Sep. 25, 1981	Fretz Management Inc.	Tierra Sands Ltd. - units of limited partnership interest	2.5%	\$US 55,000.00
Sep. 25, 1981	Olivia Development (Texas) Inc.	"	2.5%	US 55,000.00
Sep. 25, 1981	T.S. Verde Canada Inc.	"	5%	US 110,000.00
Sep. 25, 1981	Harnox Holding Inc.	"	5%	US 110,000.00
Sep. 25, 1981	Holdbest Inc.	"	5%	US 110,000.00
Sep. 25, 1981	478534 Ontario Inc.	"	4.125%	US 82,500.00
Sep. 25, 1981	Selkirk Men's Wear Inc.	"	.875%	US 27,500.00
Sep. 25, 1981	Etobicoke Animal Centre Ltd.	"	5%	US 110,000.00
Sep. 30, 1981	Tamay Realty Co. Limited	Stanford Resources Limited - common shares and convertible debenture due Oct. 15, 1983 at 12%	3,000,000.00	3,000,000.00

FORM 21 (AND ITS PREDECESSOR) - RESALE OF SECURITIES

<u>Date of Resale</u>	<u>Date of Original Purchase</u>	<u>Seller</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Sep. 18, 1981	May 22, 1979	Bantor Company	Bow Valley Ind. Ltd.-common shares	8.67	96,300 shrs
June 30, 1981	Nov. 20, 1980	Investors Group Trust Co. Ltd. Equity Fund	Federal Ind. Ltd. class "A" common	15.125	9,100 "
Sep. 22, 1981	Feb. 4, 1980	National Trust Company, Ltd.	Clarion Petroleum Ltd.-common shares	6.67	42,200 "

Continued

<u>Date of Resale</u>	<u>Date of Original Purchase</u>	<u>Seller</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Aug. 18, 1981*		Resolute Petroleum Limited	Augdome Corp. Ltd.-common shares	\$ 2.00	75,000 shrs
Sep. 11, 1981		"	"	2.00	5,000 "
Sep. 21, 1981		"	"	2.00	5,000 "
Sep. 24, 1981		"	"	2.00	5,000 "

NOTICE OF INTENTION TO DISTRIBUTE SECURITIES PURSUANT TO SUBSECTION 7 OF SECTION 71

<u>Seller</u>	<u>Security</u>	<u>Amount</u>
Lion Diversified Investments Limited	The Cadillac Fairview Corporation Limited Preference shares, series "A"	361,548 shrs
Conwest Exploration Company Limited	Chance Mining and Exploration Company Limited - common shares	404,000 "
Crowborough Investments Ltd.	Spar Aerospace Limited - common shares	17,000 "
Newlore Investments Limited	Scintilore Explorations Limited - common shares	39,200 "
Liberty Holdings & Industries Ltd.	Turbo Resources Limited - common shares	500,000 "

* Report improperly filed

TAKE-OVER BIDS, ISSUER BIDS

CARTIER RESOURCES INC.
(OFFEROR)

SENLAC RESOURCES INC.
(OFFEREE)

NOTICE OF INTENTION - FORM 35 - SHEPHERD PRODUCTS LIMITED

CONTINUOUS DISCLOSURE FILINGS

MATERIAL RECEIVED PURSUANT TO THE ACT & REGULATIONS

A	ANNUAL FINANCIAL STATEMENTS
B	INFORMATION CIRCULAR (FORM 30) OR REPORT (FORM 28)
C	INTERIM FINANCIAL STATEMENTS
D	TAKE-OVER, ISSUER BIDS AND RELATED MATERIAL
E	OTHER REPORTS
F	REPORT OF MATERIAL CHANGE (FORM 27)

ALBANY OIL & GAS LIMITED	A B
ALCAN ALUMINUM LIMITED	E
ALGONQUIN MERCANTILE CORPORATION	E
AMCAN INDUSTRIES CORPORATION	E
AMERICAN EAGLE PETROLEUMS LIMITED	E
AMERICAN EXPRESS COMPANY	E
AMERICAN QUASAR PETROLEUM CO.	C E
ANDOVER RESOURCES LTD.	A
AQUITAINE COMPANY OF CANADA LTD.	E
ASAMERA INC.	E
ASBESTOS CORPORATION LIMITED	E
ASCOTT ENERGY CORPORATION OF CANADA LIMITED	C
ATCO LTD.	E
ATLAS YELLOWKNIFE RESOURCES LIMITED	E
AUDAX GAS & OIL LTD.	A C
B B C REALTY INVESTORS	E
B.C. SUGAR REFINERY LIMITED	E
BAKERTALC INC.	C
BALD EAGLE EXPLORATIONS INC.	C
BASIC RESOURCES INTERNATIONAL S.A.	C E
BAXTER RESOURCES CORPORATION	C E
BECKERS' MILK CO. LTD.	C
BELL CANADA	E
BIROCO KIRKLAND MINES LIMITED	B
BLAKE RESOURCES LTD.	E
BM-RT REALTY INVESTMENTS	E
BOMBARDIER INC.	E
BONANZA OIL & GAS LTD.	E
BORDER CHEMICAL COMPANY LIMITED	E
BRITISH COLUMBIA FOREST PRODUCTS LIMITED	E
BRITISH PETROLEUM COMPANY LIMITED	C E
CADILLAC FAIRVIEW CORPORATION LIMITED, THE	E
CALVERT-DALE ESTATES LIMITED	A B
CAMINDEX MINES LIMITED	C
CANADA CEMENT LAFARGE LTD.	E
CANADA SOUTHERN PETROLEUMS LTD.	A
CANADEX RESOURCES LIMITED	E
CANADIAN PACIFIC ENTERPRISES LIMITED	E
CANADIAN PACIFIC LIMITED	E

CANADIAN WESTERN NATURAL GAS COMPANY LIMITED
 CANRON INC.
 CAPSTONE INVESTMENT TRUST
 CARENA-BANCORP HOLDINGS INC.
 CAROLIN MINES LTD.
 CARTIER RESOURCES INC.
 CARUSCAN CORPORATION
 CAVALIER ENERGY LIMITED
 CEDAR RIDGE APARTMENT PROJECT
 CEDAR RIDGE EXPLORATIONS LTD.
 CELANESE CANADA INC.
 CERES RESOURCES LIMITED
 CHARRIOT RESOURCES LTD.
 CHIB-KAYRAND COPPER MINES LIMITED
 CINCINNATI RESOURCES INC.
 CITADEL GOLD MINES INC.
 CLEYO RESOURCES INC.
 COASTAL INTERNATIONAL LTD.
 COMBINED INTERNATIONAL CORPORATION
 CONSUMERS DISTRIBUTING COMPANY LIMITED
 CONSUMERS' GAS COMPANY LTD., THE
 CORBY DISTILLERIES LIMITED
 CROWN TRUST COMPANY
 CZAR RESOURCES LTD.
 D'ELDONA GOLD MINES LTD.
 DANIEL DIVERSIFIED LIMITED
 DAON CENTRE LIMITED PARTNERSHIP
 DENISON MINES LTD.
 DISTRICT TRUST COMPANY
 DOFASCO INC.
 DOME PETROLEUM LIMITED
 DOMINION CITRUS & DRUGS LTD.
 DORSET RESOURCES LTD.
 DRUMMOND, MCCALL INC.
 EAGLET MINES LIMITED
 ECONOMIC INVESTMENT TRUST LTD.
 EGO RESOURCES LIMITED
 ELKS STORES INC.
 EXROY RESOURCES LTD.
 FINNING TRACTOR & EQUIPMENT COMPANY LIMITED
 FIRST CALGARY PETROLEUMS LTD.
 FIRST CITY FINANCIAL CORPORATION LTD.
 FLINT ROCK MINES LIMITED
 FOLLANSBEE RED LAKE GOLD MINES LIMITED
 FORD MOTOR COMPANY OF CANADA LTD.
 FRANCA OIL & GAS LTD.
 G & B AUTOMATED EQUIPMENT LIMITED
 GALVESTON PETROLEUMS LTD.
 GARBELL HOLDINGS LIMITED
 GAZ METROPOLITAN, INC.
 GEMEX MINERALS INC.
 GENERAL AMERICAN OIL COMPANY OF TEXAS
 GENERAL MOTORS CORPORATION
 GEOLEX RESOURCES LTD.
 GLENCAIR RESOURCES INC.
 GOLDLUND MINES LIMITED
 GOLDSEARCH LIMITED

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GREAT PACIFIC INDUSTRIES INC.	C
GREENWICH LAKE EXPLORATIONS LTD.	C
GUARANTY TRUST INVESTORS FUND - EQUITY SECTION	C
GUARANTY TRUST INVESTORS FUND - INCOME SECTION	C
GUARANTY TRUST MORTGAGE FUND	C
GULF & WESTERN INDUSTRIES, INC.	E
GULF CANADA LIMITED	F
H.O. FINANCIAL LIMITED	E
HALLIBURTON COMPANY	E
HAMILTON CREDIT EXCHANGE LIMITED	C
HARDEE FARMS INTERNATIONAL LIMITED	E
HARVARD GROWTH FUND LIMITED	C
HAYES-DANA INC.	E
HEADWAY PROPERTY INVESTMENT 77-I	C
HEADWAY PROPERTY INVESTMENT 77-II	C
HEADWAY PROPERTY INVESTMENT 77-III	C
HEADWAY PROPERTY INVESTMENT 77-IV	C
HEADWAY PROPERTY INVESTMENT 78-I	C
HEADWAY PROPERTY INVESTMENT 78-II	C
HEADWAY PROPERTY INVESTMENT 78-III	C
HEMERDON MINING & SMELTING LIMITED	E
HIGHLAND QUEEN SPORTSWEAR LIMITED	C
HIRAM WALKER RESOURCES LTD.	E
HUDSON BAY MINING AND SMELTING CO. LIMITED	E
HUDSON'S BAY COMPANY	C
HIRAM WALKER RESOURCES LTD.	E
HUDSON BAY MINING AND SMELTING CO. LIMITED	E
HUDSON'S BAY COMPANY	C
HUDSON'S BAY OIL AND GAS COMPANY LIMITED	E
HUSKY OIL LTD.	E
I A C LIMITED	C
IMPERIAL OIL LIMITED	E
INEXCO OIL COMPANY	E
INLAND NATURAL GAS CO. LTD.	A B
INTERNORTH INC.	C
INVESTORS GROUP, THE	C
JOEX LIMITED	E
JUNCTION EXPLORATIONS LIMITED	A B C
K-TEL INTERNATIONAL, INC.	C E
KALROCK DEVELOPMENTS LIMITED	C F
KANAMERA OIL & GAS PROGRAM	E
KAPUSKASING RESOURCES LTD.	C
KINTU URANIUM MINES LTD.	
KORICH MINING COMPANY LTD.	A B C
LAURENTIDE FINANCIAL CORPORATION LTD.	C
LEIGH INSTRUMENTS LIMITED	E
LOCHIEL EXPLORATION LTD.	C
LUNEL ENTERPRISES INC.	C
LYTTON MINERALS LIMITED	E
M.T.S. INTERNATIONAL SERVICES INCORPORATED	E
MACQUEST RESOURCES LTD.	E
MAGELLAN PETROLEUM CORPORATION	C
MARITIME EQUITY FUND	C
MARKS & SPENCER CANADA INC.	C
MARMAC RESOURCES LIMITED	C
MAYOTTE PROPERTY INVESTMENTS	C
MEDCON RESOURCES LTD.	E

MERCANTILE BANK OF CANADA, THE	E
MERLAND EXPLORATIONS LIMITED	E
METINA DEVELOPMENTS INC.	C
MASCAN CORPORATION	E
MICC INVESTMENTS LIMITED	E F
MIDRIM MINING COMPANY LIMITED	C
MILNER CONSOLIDATED SILVER MINES LTD.	C
MINERAL RESOURCES INTERNATIONAL LIMITED	E
MIRCAN INDUSTRIES LIMITED	C
MITEL CORPORATION	E
MPG INVESTMENT CORPORATION LIMITED	A B E
MURPHY OIL COMPANY LTD.	C E
N B COOK CORPORATION LTD.	A B E
N R D MINING LTD.	E
NATIONAL BANK OF CANADA	E
NATIONAL IRON RESOURCES LIMITED	C
NEARTIC RESOURCES INC.	E
NEW AUGARITA PORCUPINE MINES LIMITED	C
NEW BEDFORD RESOURCES & DEVELOPMENTS LIMITED	A C
NEW BRUNSWICK TELEPHONE CO. LTD., THE	E
NEWFOUNDLAND CAPITAL CORPORATION LIMITED	E
NEWFOUNDLAND TELEPHONE COMPANY LIMITED	E
NOR-ACME GOLD MINES LIMITED	A B C
NORANDA MINES LIMITED	E
NORLEX MINES LIMITED	E
NORSEMAN MINES LIMITED	A
NORTH CANADIAN OILS LIMITED	E
NORTHERN TELECOM LIMITED	E
NOVA, AN ALBERTA CORPORATION	E
NU-WEST GROUP LIMITED	E
NUMAC OIL & GAS LTD.	E
OAKWOOD PETROLEUMS LTD.	E
OLD CANADA INVESTMENT CORPORATION LIMITED	C
OMEGA HYDROCARBONS LTD.	F
PENN WEST PETROLEUM LTD.	E
PENNINGTON'S STORES LIMITED	C
PENSION MUTUAL FUND LIMITED	E
PETRO-CANADA ENTERPRISES INC.	C
PETROLEUM ROYALTIES LTD.	E
PLUMBING MART CORPORATION	C
PLUMBING MARTS OF AMERICA, INC.	C
POCO PETROLEUMS LTD.	C
POLYCOM SYSTEMS LIMITED	C
POLYSAR LIMITED	E
POPULAR INDUSTRIES LIMITED	E
PRECAMBRIAN SHIELD RESOURCES LIMITED	E F
PRINCIPAL VENTURE FUND LTD.	B
PROVIGO INC.	E
PUNTERS GOLD EXPLORATIONS INCORPORATED	E
Q.M.G. HOLDINGS INC.	E
QUAKER OATS COMPANY, THE	A B
RALEIGH MINERALS LIMITED	C
READER'S DIGEST ASSOCIATION (CANADA) LTD.	A B E
REGAL GOLDFIELDS LIMITED	E
RIO ALGOM LIMITED	E
RIO ALTO EXPLORATION LTD.	E
ROGERS CABLESYSTEMS INC.	E

ROYAL BANK OF CANADA, THE	E
ROYAL TRUSTCO LIMITED	E
RUPERTSLAND RESOURCES CO. LTD.	C E
S. B. McLAUGHLIN ASSOCIATES LIMITED	E
SANDWELL AND COMPANY LIMITED	E F
SCEPTRE RESOURCES LIMITED	E
SCINTILORE EXPLORATIONS LIMITED	E
SCUDDER SPECIAL FUND INC.	E
SEAGRAM COMPANY LTD., THE	E
SEAWARD RESOURCES LTD.	E
SENIORITY INVESTMENTS LIMITED	C
SHADOWFAX RESOURCES LTD.	E
SHELTER HYDROCARBONS 78-1	E
SHELTER HYDROCARBONS 79-1	E
SHELTER HYDROCARBONS 81-1	E
SHELTER HYDROCARBONS 80-III	E
SHEPHERD PRODUCTS LIMITED	D E
SHININGTREE GOLD RESOURCES INC.	B
SILVERMAQUE MINING LIMITED	C
SLATE BAY GOLD MINES LIMITED	A B C
SONY CORPORATION	C
SPAR AEROSPACE LIMITED	E
SPINDLE TOP ENERGY & RESOURCES INC.	C
ST. LUCIE EXPLORATION COMPANY LIMITED	E
STANFORD RESOURCES LIMITED	E
STANLEY REED RESOURCES LTD.	C
STRAND OIL & GAS LTD.	C E
SULPETRO LIMITED	E
SUNBURST EXPLORATION LIMITED	E
SUNCOR INC.	E
TEMAGAMI OIL & GAS LTD.	E
TEXACO CANADA INC.	E
TEXCAN ENERGY & RESOURCES INC.	E
THOMSON NEWSPAPERS LIMITED	B C
THRESHOLD	C
TORONTO-DOMINION BANK	C
TRANS-CANADA RESOURCES LTD.	E
TRANS-WESTERN EXPLORATION, INC.	C E
TRANSCANADA PIPELINES LIMITED	E
TRIANGLE EXPLORATIONS LIMITED	C
TRINITY RESOURCES LTD.	F
TRIZEC CORPORATION LTD.	S
TYRANITE MINES, LIMITED	C
ULSTER PETROLEUMS LTD.	E
UNICORP FINANCIAL CORPORATION	E
UNION GAS LIMITED	E
UNITED CANSO OIL & GAS LTD.	E
UNITED KENO HILL MINES LIMITED	E
UNITED WESTERN OIL & GAS LTD.	C
US-CA-MEX EXPLORATIONS LIMITED	A
VENPOWER LIMITED	A
VICTORIA AND GREY INVESTMENT FUND	C
VICTORIA AND GREY TRUST COMPANY "GROWTH FUND"	C
VICTORIA AND GREY TRUST COMPANY "MORTGAGE INCOME FUND"	C
VILLACENTRES LIMITED	C
VOYAGER EXPLORATIONS LIMITED	E
VULCAN INDUSTRIAL PACKAGING LIMITED	F

WAJAX LIMITED	E
WESTGROWTH PETROLEUMS LTD.	C
WILLROY MINES LIMITED	E
WINCHESTER COMMODITY PARTNERSHIP	C
WINSTON CHURCHILL INVESTMENTS	C
XANADU FUND LIMITED	E
YORBEAU MINES INC.	C
ZARINA EXPLORATIONS LTD.	A
ZENMAC EXPLORATIONS LIMITED	F
ALDONA MINES LIMITED	C
AMALGAMATED MINING DEVELOPMENT CORPORATION LTD.	A B
AMERICAN PYRAMID RESOURCES INC.	E
AMERICAN TELEPHONE AND TELEGRAPH COMPANY	C
BEAVER LUMBER ACCEPTANCE CORPORATION LIMITED	C
BRASCADIE RESOURCES INC.	E
BRITISH CANADIAN RESOURCES LTD.	C
CANADA WIRE AND CABLE LIMITED	E
CANADIAN ARAN PETROLEUMS LTD.	C
DYNAMIC MINING EXPLORATION LTD.	C
EDEN ROC MINERAL CORP.	
GENERAL MILLS CANADA, LTD.	A
GULF WESTERN INDUSTRIES INC.	E
INTERNATIONAL SYSTCOMS LTD.	C
KANDAHAR RESOURCES LIMITED	B
LADUBORO OILS LTD.	C
LOGTUNG RESOURCES LTD.	C
MEDIACOM INC.	B
NIAGARA FINANCE COMPANY LIMITED	C
NIAGARA REALTY OF CANADA LIMITED	C
OGILVIE MILLS LTD.	A B
ORION CAPITAL CORPORATION	E
PRAIRIE PACIFIC ENERGY CORPORATION	C
PUBLIC SERVICE ELECTRIC AND GAS COMPANY	E
SCARBORO OILS 79 PROGRAM	C
SUNGATE RESOURCES LTD.	A B
TANDY CORPORATION	A E
VIKING YELLOWKNIFE GOLD MINES LIMITED	A

NEW ISSUE AND SECONDARY FINANCING

CANADIAN TRUSTEED INCOME FUND

A final receipt was issued October 6, 1981, for a prospectus dated October 6, 1981, qualifying for sale in Ontario trust shares of the fund at net asset value plus a sales charge.

Distributor and Manager: A.G.F. Management Limited

CAPITAL GROWTH FUND LIMITED

A final receipt was issued September 30, 1981 for a prospectus dated September 13, 1981 qualifying mutual fund shares at net asset value plus sales commission.

Distributor: Walwyn Stodgell Cochran Murray Limited

HIRAM WALKER RESOURCES LTD.

A final receipt was issued October 13, 1981 for a prospectus dated October 13, 1981 qualifying for sale in Ontario 2,000,000 14.6% cumulative redeemable retractable Class A preference shares, first series at a price of \$25 per share to net the Company \$48,450,000 before expenses of issue.

Underwriters: Dominion Securities Ames Limited
Burns Fry Limited
Pitfield Mackay Ross Limited

MEADOWBROOK APARTMENTS

A final receipt was issued September 30, 1981 for a prospectus dated September 21, 1981 qualifying for sale 300 units of undivided interest in Meadowbrook Apartments at a price of \$15,500 per unit.

This issue is not underwritten but is offered on a best efforts basis.

Agent: Richardson Securities of Canada

Promoter: Shelter Corporation of Canada Limited

NEWFOUNDLAND LIGHT & POWER CO. LIMITED

A receipt was issued September 30, 1981 for final prospectus dated September 28, 1981 qualifying 800,000 14 1/4% cumulative redeemable first preference shares, Series I to be offered at \$10 per share to net the Company \$7,720,000. In addition, the Underwriter may request the Company to issue up to 200,000 additional Series I first preference shares to be offered at \$10 per share to net the Company an additional maximum of \$1,950,000. There is a retraction privilege exercisable on October 1, 1984 and October 1, 1989.

Underwriter: Merrill, Lynch, Royal Securities Limited

ZONE RESOURCES LIMITED

Receipt issued October 7, 1981 for final prospectus dated September 26, 1981 qualifying 800,000 common shares (without par value) to be offered at 95¢ per share to net the Company \$380,000.

There is also a secondary offering of 220,000 shares to be offered in the range for \$1.00 to \$2.50. None of the proceeds from the secondary offering will accrue to the Company.

Underwriter: Marchmont & MacKay Limited

Promoters: J. Claude Bonhomme
Norman Christopher

RIGHTS OFFERING ACCEPTED

MICC INVESTMENTS LIMITED

Material acceptable to the Commission has been received in respect to MICC Investments Limited dividend reinvestment and stock dividend plans.

STANDARD TRUSTCO LIMITED

Material acceptable to the Commission has been received in respect to a proposed rights offering by Standard Trustco Limited to the holders of its outstanding common shares to subscribe for additional common shares at a subscription price of \$35 per share on the basis of one additional share for every four shares held.

Subscription Agent: Standard Trust Company

PRELIMINARY PROSPECTUSES WITHDRAWN

GOLDSEARCH LIMITED

Preliminary prospectus dated April 8, 1981 withdrawn at the request of the Company.

PEAT RESOURCES LIMITED

Preliminary prospectus dated January 2, 1981 has been withdrawn at the request of the Company.

PEREGRINE PETROLEUM LTD.

The preliminary prospectus dated June 30, 1981 has been withdrawn at the request of the Company.

SIMPSONS-SEARS ACCEPTANCE COMPANY LIMITED

At the request of the Company, a prospectus, dated July 20, 1981, relating to a proposed issued of secured debentures Series W has been withdrawn.

STATEMENT OF MATERIAL FACTS WITHDRAWN

LARDER RESOURCES INC.

The statement of material facts dated May 25, 1981 has been withdrawn at the request of the Company.

PRELIMINARY PROSPECTUSES RECEIVED

October 1, 1981

Simpsons-Sears Acceptance
Company Limited

National Issue - Ontario

Offering \$ * * % secured debentures Series W, unconditionally guaranteed as to principal, interest and redemption premium, if any, by Simpsons-Sears Limited.

Price: * plus accrued interest, if any.

Underwriter: Wood Gundy Limited

October 2, 1981

Parkdale Estates Apartments
Limited Partnership

National Issue - Manitoba

Offering 473 limited partnership units at a price of \$20,000 per unit.

Agent: Qualico Securities Ltd.

October 7, 1981

"Mother Lode"

National Issue - Alberta

Offering 1,200 units at a price of \$5,000 per unit. Offered through registered securities dealers in Ontario.

The Royal Bank of Canada

Offering \$ * (* shares) \$ * redeemable convertible second preferred shares Series A at a price of \$ * per share.

Underwriters: Wood Gundy Limited
Pitfield Mackay Ross Limited
Nesbitt Thomson Securities Limited
Dominion Securities Ames Limited

The Royal Bank of Canada

Offering \$ * convertible debentures (unsecured and redeemable) at * % per annum from November *, 1981 to * and * % per annum thereafter.

Price: * to yield * % per annum to maturity.

Underwriters: Wood Gundy Limited
Pitfield Mackay Ross Limited
Nesbitt Thomson Securities Limited
Dominion Securities Ames Limited

October 8, 1981

Paragon II

National Issue - Alberta

Offering 1,187 units in each of two limited partnerships at a subscription price of \$8,000.

Agent: Wood Gundy Limited

October 9, 1981

ens Bio Logicals inc.

A preliminary prospectus has been filed pursuant to section 52(2) of the Act.

Chatfield Estates II

National Issue - B.C.

Offering 62 units at the price of: \$65,700 per A unit
\$68,000 per B unit
\$68,000 per C unit
\$69,400 per D unit

Agent: Imperial Securities Ltd.

Chatfield Estates III

National Issue - B.C.

Offering 64 units at the price of: \$65,700 per A unit
\$68,000 per B unit
\$68,000 per C unit
\$69,400 per D unit

Agent: Imperial Securities Ltd.

"Death Bite"

National Issue - B.C.

Offering 1,158 units at a price of \$5,000 per unit.

Agent: Cinequity Investments Limited

October 13, 1981

Bonaventure Estates I Limited
Partnership

National Issue - Manitoba

Offering 4,730 limited partnership units at a price of \$2,000 per unit.

Minimum Subscription: 10 units

Agent: Equion Securities Canada Limited

Royal Vista

National Issue - Manitoba

Offering 139 units at the following prices:

Unit A	- \$ 85,875
Unit B	- \$ 86,875
Unit C	- \$ 88,375
Unit D	- \$ 98,650
Unit E	- \$105,275
Unit F	- \$108,250
Unit G	- \$109,250
Unit H	- \$110,750
Unit I	- \$112,500
Unit J	- \$113,500
Unit K	- \$114,000
Unit L	- \$115,000
Unit M	- \$115,000
Unit N	- \$116,500

Agent: Equion Securities Canada Limited

October 14, 1981

Gandalf Technologies Inc.

National Issue - Ontario

Offering 2,070,000 common shares at a price of \$ * per share.

Underwriter: Wood Gundy Limited

King Street Estates Phase 1
Limited Partnership

National Issue - Manitoba

Offering 358 limited partnership units at a price of \$22,500 per unit.

Agent: Shelter Financial Corporation

Scintrex Limited

National Issue - Ontario

Offering * common shares (without par value) at a price of \$ * per share.

Underwriters: McLeod Young Weir Limited
Nesbitt Thomson Securities Limited

AMENDMENTS RECEIVED

October 6, 1981

Edomar Resources Inc.

Amendment #1 dated October 5, 1981 to prospectus dated July 10, 1981.

October 7, 1981

Chauvco Resources Ltd.

Amendment #1 dated October 5, 1981 to prospectus dated September 9, 1981.

Roycam Copper Mines Limited

Amendment #1 dated October 5, 1981 to preliminary prospectus dated July 2, 1981.

October 8, 1981

Tanglewood Petroleum Corporation

Amendment #1 dated October 7, 1981 to prospectus dated August 24, 1981.

OCTOBER 1981

REGISTRATIONS

SECURITIES

INVESTMENT COUNSEL and as PORTFOLIO MANAGER

Ruggles & Crysedale, Inc.,
Suite 2050,
North Tower,
Royal Bank Plaza,
Toronto, Ontario.
M5W 2J3.
(effective October 7, 1981) New Registration

J. R. Senecal & Associates
Investment Counsel Inc.
1 Yonge Street,
Suite 1801,
Toronto, Ontario.
M5E 1E5.
(effective September 28, 1981) New Registration

BROKER and INVESTMENT DEALER

Peters & Co.,
Suite 710,
330 Bay Street,
Toronto, Ontario.
M5H 2S8.
(effective October 1, 1981) New Registration

VOLUNTARY WITHDRAWALS

BROKER and INVESTMENT DEALER

Equitable Securities Limited
Equitable Securities Limitee
Suite 2590,
South Tower,
P. O. Box 85,
Royal Bank Plaza,
Toronto, Ontario.
M5J 2J2.
(effective September 23, 1981) Voluntary Surrender

OTHER INFORMATION

TRANSFERS WITHIN ESCROW

BERKELEY MINES LIMITED

<u>From</u>	<u>To</u>	<u>No. of Shares</u>
Lynspen & Company	Egger & Co.	19
Fritz Sterdt	Bache Hasley	5
	Stuart Shields, Inc.	
	Fritz Sterdt	3
Smith Barney Harris	John T. Faraday &	100
Upham & Co. Incorporated	Elizabeth H. Faraday	
	Jt. Ten.	

BRANDY BROOK MINES LIMITED

<u>From</u>	<u>To</u>	<u>No. of Shares</u>
Kynric D. Hanton	Elmore Dillman	90,000

EDEN ROC MINERAL CORP.

(Formerly Jowsey Denton Gold Mines Limited)

<u>From</u>	<u>To</u>	<u>No. of Shares</u>
Lawrence Pike & Associates Inc.	Eden Roc Mineral Corp. (formerly Jowsey Denton Gold Mines Limited)	73,575*

* After 1 for 10 consolidation August 6, 1981.

GALINEE MATAGAMI MINES LIMITED

<u>From</u>	<u>To</u>	<u>No. Of Shares</u>
Israel Bourcier	Estate of Armand Bourcier	13,167
	Marthe Carriere	6,583
	Andre Boucier	3292
	Georgianne Bourcier	6,584
	Clement Bourcier	6,584
	Cecile Bourcier	6,584
	Denise Cossette	6,583
	Claudette Bourcier	3,291
	Estate of Albert Bourcier	3,465
	Roland Bourcier	6,584

GEOLEX RESOURCES LIMITED

<u>From</u>	<u>To</u>	<u>No. of Shares</u>
A.C. MacPherson & Co. Limited	Sands Oil & Gas Exploration Limited	202,500

JARIDGE EXPLORATIONS INC.

<u>From</u>	<u>To</u>	<u>No. of Shares</u>
A.C. MacPherson & Co. Limited	Sands Oil & Gas Exploration Limited	762,500

KAPKICHI NICKEL MINES LIMITED

<u>From</u>	<u>To</u>	<u>No. of Shares</u>
Crown Trust Company	Premier Trust Company	900,000

MSZ RESOURCES LTD.

<u>From</u>	<u>To</u>	<u>No. of Shares</u>
H.C.I. Holdings Limited	J. Richard Harris	200,000
	Frederick Wellhauser	175,000
	Ralph A MacKenzie	125,000

RELEASE FROM ESCROW

THUNDER BAY AMETHYST MINING COMPANY LIMITED

The Commission hereby consents to the release from escrow of 675,000 shares of Thunder Bay Amethyst Mining Company Limited for the purpose of surrender to the Company for cancellation of such shares.

ONTARIO OVER-THE-COUNTER MARKET

SUMMARY OF SHARES TRADED

	Month of September		Year-to-Date	
	1981	1980	1981	1980
INDUSTRIAL	1,159,310	2,357,038	59,455,446	14,975,191
MINING	7,030,367	24,207,251	118,499,676	171,100,928
OIL & GAS	2,800,144	3,429,960	49,056,439	36,394,877
	10,989,821	29,994,249	227,011,561	222,470,996

The dollar value for the foregoing trading is not available.

DISCLOSURE SECTION
COMPARATIVE STATISTICAL REPORT OF MATERIAL
FILED FOR MONTH OF SEPTEMBER 1981

	<u>1981</u>	<u>1980</u>	<u>January 1 - Sept. 30, 1981</u>	<u>January 1 - Sept. 30, 1980</u>
Insider Trading Reports	1988	1270	17418	15822
Annual and Interim Financial Reports	1027	594	5287	5013
Finance Company Reports	20	12	118	179
Take-Over Circulars	8	12	88	72
Proxy Solicitations and Information Circulars	104	65	1405	1332
Miscellaneous Information to Shareholders	1032	712	8329	7306
Report of Material Change	57	51	411	448

DISCLOSURE SECTION
COMPARATIVE STATISTICAL REPORT OF PRIVATE PLACEMENTS
FILED FOR MONTH OF SEPTEMBER 1981

FORM 20

January 1, 1981 - August 31, 1981

2565 Reports	\$ 3,776,283,134.00 Equity
338 Reports	1,152,100,392.00 Debt
September, 1981	
351 Reports	391,159,110.00 Equity
20 Reports	48,159,146.00 Debt
Total to date	
2916 Reports	4,167,442,244.00 Equity
358 Reports	1,200,259,538.00 Debt
	<u>\$ 5,367,701,782.00</u>

FORM 21

January 1, 1981 - August 31, 1981

129 Reports	\$ 94,080,734.00 Equity
16 Reports	9,961,362.00 Debt
September, 1981	
33 Reports	3,117,022.00 Equity
Reports	nil Debt
Total to date	
162 Reports	97,197,756.00 Equity
16 Reports	<u>9,961,362.00 Debt</u>
	<u>\$ 107,159,116.00</u>

FORMS 11 AND 19 SCHEDULE 1 AND 2

January 1, 1980 - August 31, 1980

879 Reports	\$ 909,904,742.34 Equity
559 Reports	1,138,678,591.65 Debt
September, 1980	
213 Reports	108,479,590.00 Equity
35 Reports	4,796,230.00 Debt
Total to date	
1092 Reports	1,018,384,332.34 Equity
594 Reports	<u>1,143,474,821.65 Debt</u>
	<u>\$ 2,161,859,153.99</u>

FORMS 12 AND 19 SCHEDULE 3

January 1, 1980 - August 31, 1980

141 Reports	\$ 74,497,921.59 Equity
10 Reports	27,604,312.43 Debt
September, 1980	
13 Reports	3,210,496.75 Equity
3 Reports	4,645,000.00 Debt
Total to date	
154 Reports	77,708,418.34 Equity
13 Reports	<u>32,249,312.43 Debt</u>
	<u>\$ 109,957,730.77</u>

STATISTICS OF FILINGS 1980/81
Comparative monthly and cumulative dollar value of
financial filings accepted September 30, 1981

(IN \$000'S)

PROSPECTUSES	MONTH				CUMULATIVE	
	1980		1981		1980	1981
	Equity	Debt	Equity	Debt	Equity	Debt
Bank	-	-	-	-	575,100	150,000
Film	4,300	-	-	-	1,210	-
Finance	-	-	-	-	8,004	244,025
Industrial	589,545	160,000	183,075	-	2,163,470	1,590,948
M.U.R.B.	-	-	15,441	-	17,307	-
Natural Resource	3,341	-	3,249	-	-	-
-Mining - Junior	-	-	-	-	20,646	-
- Other	-	-	-	-	6,057	4,742
-Oil & Gas - Junior	-	-	1,435	-	53,339	-
-Oil & Gas - Other	2,250	75,000	4,040	-	324,664	-
Oil & Gas Program	10,000	-	16,000	-	102,010	-
S.B.D.C.	1,502	-	-	-	5,530	-
Miscellaneous	3,500	-	-	-	1,000	-
Sub Total	614,438	235,000	223,240	-	102,500	-
					2,652,745	897,500
					2,802,785	909,267
STATEMENTS OF MATERIAL FACTS						
Natural Resource	-	-	-	-	1,550	-
-Mining - Junior	-	-	-	-	1,002	-
- Other	-	-	1,750	-	8,000	-
-Oil & Gas - Junior	-	-	-	-	10,184	-
- Other	-	-	-	-	20,736	-
Sub Total	-	-	1,750	-	5,075	-
PRIVATE PLACEMENTS						
Form 20	108,480	4,796	391,159	48,159	1,018,384	1,143,475
Form 21	3,210	4,645	3,117	-	77,708	32,249
Sub Total	111,690	9,441	394,276	48,159	1,096,092	1,175,724
					4,264,538	1,160,221
TOTAL	726,128	244,441	619,266	48,159	3,769,573	2,073,224
					7,072,398	2,069,488

INDEX

CONTENT

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GERHARD KRAEMER AND VLADIMIR MOTLIK
AND JAN (JOHN) HOGENKAMP 58A

NOTICE OF HEARING - GENSTAR CORPORATION 62A

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SHEPHERD PRODUCTS LIMITED		7I

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CAPITAL GROWTH FUND LIMITED	49K
HIRAM WALKER RESOURCES LTD.	49K
MEADOWBROOK APARTMENTS	49K
NEWFOUNDLAND LIGHT & POWER CO. LIMITED	50K
ZONE RESOURCES LIMITED	50K
MICC INVESTMENTS LIMITED	(RIGHTS OFFERING) 50K
STANDARD TRUSTCO LIMITED	(RIGHTS OFFERING) 50K

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B C SUGAR REFINERY LIMITED	S.99	181B
B E ACQUISITIONS INC.	S.99	182B
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C.G.I & THIRD VENTURE CAPITAL LIMITED	S. 34	203B
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CANADIAN GENERAL INVESTMENTS LIMITED	S. 34	203B
CANADIAN TRUSTEED INCOME FUND		49K
CAPITAL GROWTH FUND LIMITED		49K
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Ontario
Securities
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IN THE MATTER OF THE SECURITIES ACT,
R.S.O. 1980, C.466

AND

IN THE MATTER OF BARNETT BANKS OF FLORIDA, INC.

AND

IN THE MATTER OF FIRST MARINE BANKS, INC.

ORDER
(Section 99(e))

UPON the application, initially received and perfected September 24, 1981, of Barnett Banks of Florida, Inc. (the "Applicant") to the Ontario Securities Commission (the "Commission") pursuant to section 99(e) of the Securities Act, R.S.O. 1980, c.466 (the "Act") for an order exempting it from the requirements of Part XIX of the Act;

AND UPON the Applicant representing that:

1. The Applicant is a corporation incorporated under the laws of the State of Florida;
2. First Marine Banks, Inc. ("First Marine") is also a corporation incorporated under the laws of the State of Florida;
3. Neither the Applicant nor First Marine is a reporting issuer for the purposes of the Act;
4. The Applicant intends to make an offer (the "Offer") to purchase for cash any and all outstanding shares of common stock (the "Shares") of First Marine in full compliance with the federal securities laws of the United States of America; and
5. There are resident in Ontario 2 holders of Shares of First Marine holding 626 (.02%) of the 3,163,407 Shares outstanding.

AND UPON the Commission being of the opinion that to do so would not be prejudicial to the public interest;

IT IS ORDERED pursuant to section 99(e) of the Act that the Applicant be and hereby is exempted from the requirements of Part XIX of the Act with respect to the Offer provided that all material sent to security holders of First Marine resident in the United States of America in connection with the Offer shall be filed with the Commission and sent to security holders of First Marine resident in Ontario.

14th October, 1981.

"Henry J. Knowles"

"Stuart Thom"

IN THE MATTER OF PETERS & CO. LIMITED

UPON the application, perfected and received on September 20, 1981, of Peters & Co. Limited, a company incorporated under the laws of Alberta, for the acceptance of its voluntary surrender of registration pursuant to the provisions of subsection 26(3) of the Securities Act, R.S.O. 1980, c.466;

AND UPON being satisfied that to do so would not be prejudicial to the public interest;

IT IS ORDERED that the voluntary surrender of registration in the categories of Broker and Investment Dealer by Peters & Co. Limited be and the same is hereby accepted.

8th October, 1981.

"G. M. Webster"

"R. T. Morgan"

IN THE MATTER OF BINGO KING COMPANY, INC.

UPON the application on behalf of Standex International Corporation ("Standex") to the Ontario Securities Commission (the "Commission") pursuant to Section 73 of the Securities Act, R.S.O. 1980, c.466 (the "Act"), received on September 16, 1981 and perfected on October 1, 1981, in respect of certain trades in the common shares of Bingo King Company, Inc. ("Bingo King");

AND UPON it appearing to the Commission that:

- (1) Standex and Bingo King were incorporated under the laws of the States of Delaware and Colorado, respectively;
- (2) Standex owns all the issued and outstanding shares of Bingo King;
- (3) Bingo King has authorized capital of 2,000,000 common shares each having a par value of \$0.01 (U.S.) of which approximately 1,360,068 are issued and outstanding.
- (4) Standex proposes to distribute all or substantially all its common shares in Bingo King to the holders of its common shares, on the basis of one common share of Bingo King for each 5 common shares of Standex;
- (5) Such distribution will be in the nature of a stock dividend;
- (6) Neither Bingo King nor Standex is a reporting issuer under the Act;
- (7) There are presently approximately 12 shareholders of Standex resident in Ontario, to whom fewer than 6,000 shares of Bingo King will be distributed pursuant to the proposed transactions; and
- (8) Bingo King has filed a registration statement dated August 20, 1981 with the Securities and Exchange Commission in respect of the proposed transactions (the "Registration Statement")

AND UPON reading the application, the materials filed herewith, and the recommendations of Commission staff;

AND UPON being satisfied that to so rule would not be contrary to the public interest;

NOW THEREFORE IT IS RULED that the distribution of common shares of Bingo King by Standex to the shareholders of Standex resident in Ontario as described in the subject application and the materials filed therewith is not subject to sections 24 or 52 of the Act, on condition that:

- (1) The shareholders of Standex resident in Ontario shall be sent copies of the Registration Statement and all other materials in connection with the proposed transactions sent to the shareholders of Standex resident in the United States of America; and
- (2) The shareholders of Standex resident in Ontario shall be advised by notification, accompanying the Registration Statement, that the common shares of Bingo King so acquired by them may not be resold in Ontario unless and until Bingo King shall have been a reporting issuer in Ontario for a period of 12 months.

15th October, 1981.

"Henry J. Knowles"

"R. T. Morgan"

IN THE MATTER OF ST. MARY'S EXPLORATIONS LIMITED

WHEREAS all trading in the securities of St. Mary's Explorations Limited (the "Issuer") is presently prohibited pursuant to a cease trading order dated June 11, 1980;

AND WHEREAS application has been made to the Ontario Securities Commission to vary the said order to permit a sale of securities of the Issuer, as hereinafter provided, for the purpose of clearing an outstanding short sale of such securities;

IT IS ORDERED that the cease trading order be and the same is hereby varied to permit the following trade:

Vendor:	W.D. Latimer Co. Limited Toronto Dominion Bank Tower Toronto, Ontario (client - Mr. N. Rhor, 9 Wiggin Crescent Downsview, Ontario)
Purchaser:	Pemberton Securities Limited Suite 6220 1 First Canadian Place Toronto, Ontario

Securities: 4,000 shares of
St. Mary's Explorations Limited,

provided that the said cease trading order shall continue in force in all other respects including its continued application to the securities that are the subject matter of this Order.

13th October, 1981.

"Henry J. Knowles"

"Stuart Thom"

IN THE MATTER OF VICTORIA WOOD DEVELOPMENT CORPORATION INC.

AND

IN THE MATTER OF VICTORIA WOOD SCARBOROUGH BRANDYWINE

UPON the application, filed and perfected on March 2, 1981, by Victoria Wood Development Corporation Inc. ("Victoria Wood"), on behalf of Victoria Wood Scarborough Brandywine to the Ontario Securities Commission (the "Commission") pursuant to section 79(b)(iii) of the Securities Act, R.S.O. 1980, c.466 (the "Act");

AND UPON it appearing to the Commission that:

1. By a prospectus dated March 3, 1978 filed with the Commission for which a receipt was obtained from the Director, as amended by prospectus amendment No.1 dated April 20, 1978 (collectively the "Original Prospectus"), and by a prospectus dated August 18, 1978 for a secondary issue, filed with the Commission, for which a receipt was obtained from the Director (the "Secondary Prospectus"), Victoria Wood offered for sale an aggregate of 420 units of ownership in a multiple unit residential building called Victoria Wood Scarborough Brandywine (the "project");
2. The Manager of the Project is Victoria Wood Property Management Limited ("VicWood Management"), a wholly-owned subsidiary of Victoria Wood.
3. Counsel Trust Company (formerly Exchequer Trust Company) ("Counsel") acts as agent for the holders of units in the Project (the "Unitholders") pursuant to the terms of a Unitholder's Agreement as set forth in the Original Prospectus and the Secondary Prospectus;

AND UPON the Commission being of the opinion that to make this order would not be prejudicial to the public interest and being otherwise satisfied in the circumstances of this particular case that there is adequate justification for so doing;

NOW THEREFORE IT IS ORDERED pursuant to section 79)b)(iii) of the Act that Victoria Wood be and hereby is exempted from the requirements of Part XVII of the Act with respect to its own affairs, subject to the terms and conditions that:

1. Victoria Wood and VicWood Management shall have filed with the Commission a written undertaking, satisfactory in form and content to the Director, in the case of VicWood Management to comply with the requirements of Part XVII of the Act in respect of the Project as modified by this Order, and in the case of Victoria Wood to cause VicWood Management so to comply failing which Victoria Wood shall be responsible for such compliance;
2. Except as expressly provided herein, VicWood Management shall comply with the requirements of Part XVII of the Act as though it were a reporting issuer referred to therein, in respect of the affairs of the Project;
3. VicWood Management shall be exempted from the requirements of sections 76(1) and 78 of the Act to file with the Commission and send to Unitholders interim financial statements of the Project provided that:
 - (a) by a vote of the Unitholders taken at each annual meeting of Unitholders a majority of votes cast shall approve this exemption and the results of such votes, in any case, shall be reported in writing to the Commission within three days of the taking thereof;
 - (b) VicWood Management shall file with the Commission and send to all Unitholders:
 - (i) semi-annual interim financial statements of the Project, prepared in accordance with section 76(1) of the Act, and
 - (ii) interim financial statements of the Project for any fiscal quarter in which a material change occurs in the affairs of the Project, prepared in accordance with section 76(1) of the Act, but such statements need not be comparative; and

4. VicWood Management, on or before March 31 of each calendar year, shall send sufficient information to Unitholders with respect to their investment in the Project and the proper income and deductions attributable thereto for completion of their income tax returns relating thereto, including in every such year an explanation of the relevance of the information for income tax purposes;
5. The Board of Directors of VicWood Management shall approve the audited financial statements of the Project pursuant to section 77 of the Act;
6. For the purposes of compliance of VicWood Management with the terms of this Order, a reference to an offer, a director, the management or Board of Directors of a reporting issuer in Part XVII of the Act or the regulations to the Act pertaining thereto shall be deemed to be a reference to an officer, director, the management or Board of Directors of VicWood Management;
7. For the purposes of sections 75 and 131 of the Act, a person in a special relationship to VicWood Management or Victoria Wood shall be deemed to be in a special relationship to the Project; and
8. The exemption from the requirements of Part XVII of the Act granted by this Order shall not apply to exempt Victoria Wood from the obligations of that Part with respect to the holders of any other securities issued by Victoria Wood.

15th October, 1981.

"Henry J. Knowles"

"E. S. Miles"

THE FEATURE LENGTH ANIMATED
MOTION PICTURE ENTITLED "DRATS"

UPON the Applications, received October 30, 1980, (the "Applications") on behalf of the "Drats" film co-ownership (the "Co-Ownership") made, pursuant to clauses 79(b)(iii) and 87(2)(b) of the Securities Act, R.S.O. 1980, c.466 (the "Act"), to the Ontario Securities Commission (the "Commission");

AND UPON reading the Applications and hearing, on August 4, 1981, the submissions of counsel for Nelvana Limited ("Nelvana"), Dratsco Inc. ("Dratsco") and the Co-Ownership and the submissions of counsel for the staff of the Commission;

AND UPON the Application being perfected on October 2, 1981;

AND UPON it appearing to the Commission that:

- A. Dratsco is a corporation incorporated on August 23, 1979 under the laws of the Province of Ontario to produce the animated motion picture entitled "Drats" (the "Film");
- B. Dratsco has contracted out the making and the distribution of the Film to Nelvana, the sole shareholder and parent company of Dratsco;
- C. Dratsco has sold defined property in and rights to the Film to purchasers of units (the "Unitholders") of undivided co-ownership interest in the Film (the "Units") pursuant to a Unitholders' Agreement (the "Unitholders' Agreement") which is annexed as Schedule "A" to a prospectus dated March 7, 1980 (the "Prospectus"), certified by Dratsco and Nelvana as promoters, filed by Dratsco with the Commission and relating to a distribution of the Units;
- D. Dratsco has filed and has obtained a receipt for the Prospectus which describes the Film, the Units and the Co-Ownership;
- E. Dratsco is not a 'corporation offering its securities to the public' as defined by subsection 1(9) of the Business Corporations Act, R.S.O. 1980, c.54;
- F. Michael Hirsh ("Hirsh"), Patrick Leslie Loubert ("Loubert") and Clive Anthony Smith

- ("Smith") are all the shareholders and directors of Nelvana Holdings Limited ("Holdings");
- G. Holdings owns 75% and 12 investors own 25% of the issued common shares of Nelvana;
 - H. Hirsh, Loubert, Smith, Michael St. Barbe Harrison ("Harrison") and Edward James Kernaghan ("Kernaghan") are all the directors of Nelvana;
 - I. Nelvana owns all of the issued common shares of Dratsco;
 - J. Hirsh, Loubert, Harrison, Kernaghan and Peter James Dey ("Dey") are all the directors of Dratsco;
 - K. Hirsh, Loubert and Smith fairly may be characterizd as the managing directors (the "Managing Directors") of Holdings, Nelvana, Dratsco and the Co-Ownership and Harrison and Kernaghan fairly may be characterized as the independant directors (the "Independant Directors") of Nelvana, Dratsco and the Co-Ownership and Dey of Dratsco and the Co-Ownership;
 - L. Holdings, Nelvana, Dratsco, the Managing Directors and the Independant Directors are aware of the importance of compliance with the requirements of Parts XVII and XVIII of the Act and with the provisions of these orders;

AND UPON the Commission being of the opinion that to make these orders would not be prejudicial to the public interest and being otherwise satisfied in the circumstances of this particular case that there are adequate justifications for so doing;

NOW THEREFORE it is ordered, pursuant to clause 79(b)(iii) and clause 87(2)(b) of the Act that Dratsco be and hereby is exempted respectively from the requirements of Parts XVII and XVIII of the Act subject to the terms and conditions that:

- 1. Dratsco files with the Commission its written undertaking to comply for the Co-Ownership with the requirements, as modified by these orders, of Parts XVII and XVIII of the Act;

2. Holdings, Nelvana, and the Managing Directors file with the Commission their written undertakings that they, jointly and severally, are responsible for causing or effecting compliance for the Co-Ownership with the requirements, as modified by these orders, of Parts XVII and XVIII of the Act in the event of any default in compliance therewith by Dratsco;
3. Each Independant Director files with the Commission his written undertaking to use his best efforts to cause or effect compliance for the Co-Ownership with the requirements, as modified by these orders, of Parts XVII and XVIII of the Act in the event of any default in compliance therewith by Dratsco so long as he is a director of Nelvana, Dratsco or any associate thereof;
4. Dratsco is exempt from the requirements of subsection 76(1) and section 78 of the Act to file with the Commission and send to Unitholders interim financial statements of the Co-Ownership provided that:
 - (a) the Unitholders, by special resolution, approve, in 1981, an amendment to the Unitholders' Agreement having the effect of changing the year end of the Co-Ownership from July 31 to December 31 in 1981 and for all subsequent years,
 - (b) Dratsco, in 1982 and before the expiration of the first six months of 1982 and for the financial year ended December 31, 1981, and for all subsequent years in like manner sends to all Unitholders a notice requesting the Unitholders to indicate whether they wish the Trustee under the Unitholders' Agreement to call an annual meeting of the Unitholders of the Co-Ownership and if the holders of 20% of the Units indicate that they wish such annual meeting to be called, Dratsco shall instruct the Trustee under the Unitholders' Agreement to call such annual meeting,

- (c) If such annual meeting is called, the Unitholders, by a simple majority of votes cast in person or by proxy at such annual meeting, approve continuance of this exemption from the requirements of subsection 76(1) and section 78 of the Act and the result of the vote, no matter its outcome, is reported in writing to the Commission within three days of the taking thereof,
- (d) Dratsco, for the 1981 financial year and for each subsequent financial year of the Co-Ownership, prepares, files with the Commission and concurrently sends to all Unitholders comparative financial statements of the Co-Ownership in accordance with sections 77 and 78 of the Act,
- (e) Dratsco, for the 1982 financial year and for each subsequent financial year of the Co-Ownership prepares, files with the Commission and concurrently sends to all Unitholders
 - (i) semi-annual interim financial statements of the Co-Ownership prepared in accordance with subsection 76(1) of the Act and commencing with and for the six month period ending June 30, 1982,
 - (ii) interim financial statements of the Co-Ownership prepared in accordance with subsection 76(1) of the Act, excepting that such statements need not be comparative ones, for any first or third quarter of the financial year of the Co-Ownership during which a material change occurs in the affairs of the Co-Ownership, and
- (f) This paragraph 4 terminates and is of no further force or effect upon the occurrence, if any, of a material change in the affairs of the Co-Ownership unless the Commission is satisfied that this paragraph and the exemptions hereby provided should continue from and after such change;

5. Dratsco within ninety days of the date of completion of an 'answer print' for the Film, files with the Commission and concurrently sends to all Unitholders an audited Statement of Total Costs of Production of the Film and a copy of the certificate for the Film issued by the Secretary of State for Canada and certifying the Film as a certified animated feature film for purposes of the Income Tax Act (Canada);
6. Dratsco, on or before March 31, of each year, files with the Commission and concurrently sends to each Unitholder sufficient information to permit such Unitholder to include in his income tax return the proper income and deductions attributable to his investment in the Film, including, in every such year, an explanation of the relevance of the information for income tax purposes;
7. The financial statements of the Co-Ownership required to be filed with the Commission and sent to all Unitholders pursuant to this order are approved by the board of directors of Dratsco and the approval is evidenced by the manual or facsimile signatures of two directors of Dratsco duly authorized to signify the approval;
8. Dratsco files with the Commission and concurrently sends to all Unitholders its audited annual financial statements prepared in accordance with section 77 of the Act;
9. Dratsco complies with the requirements of section 74 of the Act in respect of the affairs of and for the Co-Ownership;
10. For the purpose of compliance by Dratsco for the Co-Ownership with the requirements of the Act and with the terms of this order, any reference in Parts XVII and XVIII of the Act or in the regulations under the Act to an officer or director or to management of a reporting issuer is hereby deemed to be a reference to an officer, director or management of Dratsco as the context may require;
11. For the purposes of sections 75 and 131 of the

Act, those persons or companies in a special relationship with Holdings, Nelvana or Dratsco are hereby deemed to be persons or companies in a special relationship with the Co-Ownership; and

12. The exemptions from the requirements of Parts XVII and XVIII of the Act granted by these orders to Dratsco as reporting issuer for the Co-Ownership terminate forthwith should Dratsco become a reporting issuer within the meaning of section 1(1)38 of the Act by filing a prospectus for a security evidencing an interest in Dratsco and by obtaining a receipt therefor.

4th August, 1981.

"Henry J. Knowles"

"R.T. Morgan"

IN THE MATTER OF PENCORP SYSTEMS LTD.

UPON the application of Pencorp Systems Ltd. ("Pencorp") to the Ontario Securities Commission (the "Commission") pursuant to section 73 of the Securities Act, R.S.O. 1980, c.466 (the "Act"), received April 9, 1981 and perfected September 21, 1981;

AND UPON it appearing to the Commission that:

1. Pencorp desires to create a number of pools of funds, to be managed by certain portfolio managers to be selected by Pencorp (the "Portfolio Managers"), from which each of Pencorp's clients (the "Clients"), advised by Pencorp, will choose those in which it wishes to invest, in accordance with its individual investment requirements;
2. The Clients will own units ("Units") in the various pools in which they have invested, representing their respective pro rata shares in such pools;
3. Units may be redeemed at the option of a Client at any time at a redemption price based on such Client's pro rata shares of the fair market value of the pool, or such Client's pro rata share of the underlying securities;
4. The securities in which each of the pools of funds are invested will be at all times held by a trust company duly licensed and authorized to carry on business as such in Ontario (the "Trustees") in trust for the Clients who have invested in such pool;
5. The Clients who will participate in the foregoing investment arrangements will be pension funds, the sponsors or trustees of which desire to diversify the investments of such funds on a cost effective basis;

AND UPON having read the application and the material filed therewith and the recommendations of the Commission staff;

AND UPON being satisfied that to so rule would not be prejudicial to the public interest;

NOW THEREFORE IT IS RULED that the trades in Units are not subject to section 24 or 52 of the Act, on the following terms and conditions:

1. Pencorp shall not advise its Clients either directly or through publication of writings, as to specific securities or classes of securities;
2. All Portfolio Managers participating in the investment arrangements described herein shall have and maintain current registration under the Act as portfolio managers; and
3. The contracts between the Clients and the Portfolio Managers, and between the Clients and the Trustee, will be expressly subject to the guidelines set out in section 14 of Ontario Regulation 654 under The Pension Benefits Act, R.S.O. 1980, c.373, as amended.

8th October, 1981.

"Henry J. Knowles"

"Harry S. Bray"

IN THE MATTER OF GENERAL PORTLAND INC. AND
CCL INVESTMENTS INC.

UPON the application of CCL Investments Inc. ("CCL") to the Ontario Securities Commission (the "Commission"), received and perfected on October 13, 1981, for an order pursuant to section 99(e) of the Securities Act, R.S.O. 1980, c.466 (the "Act");

AND UPON the Commission being advised that:

1. CCL is a corporation incorporated under the laws of the State of Delaware and is an indirect wholly-owned subsidiary of Canada Cement Lafarge Ltd. ("Lafarge"), a corporation incorporated under the laws of Canada, and General Portland Inc. ("Portland") is a corporation incorporated under the laws of the State of Delaware;
2. As of September 29, 1981, 6,943,107 shares of common stock of Portland (the "Shares") were issued and outstanding and there were options outstanding to purchase an aggregate of not more than 200,090 Shares. There were 270,370 Shares, being approximately 3.89% of the issued and outstanding Shares, held by 81 shareholders having addresses in the Province of Ontario;
3. By an offer to purchase dated October 2, 1981 (the "Offer"), CCL has offered to purchase all of the Shares at a price of \$47 (U.S.) net per Share, without any condition as to minimum number of Shares being tendered, which Offer will expire at 12:00 o'clock Midnight, New York City Time, on Monday, November 16, 1981, unless extended;
4. The Offer has been made in full compliance with the requirements of the Securities Exchange Act of 1934 of the United States of America and is open for acceptance; and
5. Following the completion of the Offer, CCL presently intends to propose a merger between Portland and CCL or a directly or indirectly wholly-owned subsidiary of CCL pursuant to which the remaining Shares of Portland, other than those held by CCL, Lafarge and its subsidiaries, would be converted upon the merger into the right to receive in cash the price per Share paid pursuant to the Offer.

AND UPON the Commission being of the opinion that to grant this Offer would not be prejudicial to the public interest;

IT IS ORDERED pursuant to section 99(e) of the Act that CCL is hereby exempted from the requirements of sections 89, 90, 94(2) and 97 of the Act with respect to the Offer on the following terms and conditions:

1. The Offer, copies of which have been delivered to the Commission, shall be deemed to be a take-over bid circular for the purposes of Part XIX of the Act; and
2. All offering material sent to the holders of Shares resident in the United States of America in connection with the Offer shall be mailed from Toronto, Ontario, not later than 5:00 p.m., Wednesday, October 21, 1981, to persons whose addresses on the share registers of Portland are in Ontario.

15th October, 1981.

"Henry J. Knowles"

"E.S. Miles"

IN THE MATTER OF DRUMMOND McCALL INC.

UPON the application of the Board of Directors of Drummond McCall Inc. ("Drummond") to the Ontario Securities Commission (the "Commission") for an order pursuant to section 123 of the Securities Act, R.S.O. 1980, c.466 (the "Act") to prevent Marshall Steel Ltd. ("Marshall") from taking up and paying for common shares of Drummond pursuant to the take-over bid hereinafter described;

AND UPON the Commission sitting independently with the Commission des Valeurs Mobilières du Québec in Montreal, and hearing the submissions of counsel for the applicants, counsel for Marshall and counsel for the staff of the Commission;

AND UPON it appearing that:

1. Marshall made an offer (the "Offer") dated September 23, 1981 to purchase from Canadian residents 51% of the common shares, consisting of Series A and Series B common shares (the "Common Shares") of Drummond which was to be open for acceptance until October 14, 1981;
2. Drummond is a corporation governed by the Canada Business Corporations Act; and
3. The take-over bid circular which accompanied the Offer contained only the following statement with respect to the arrangements to pay for the deposited securities: "Marshall has entered into an agreement with a Canadian chartered bank to ensure that required funds are available to Marshall to meet its obligation to take up and pay for the Common Shares deposited pursuant to the take-over bid";

AND UPON the Commission determining that the said take-over bid circular failed to state, as required by Item 8 of Form 31, the details of the arrangements that have been made by Marshall to ensure that the required funds are available to take up and pay for the Common Shares deposited pursuant to the Offer, and that such failure constitutes non-disclosure of a matter which would reasonably be expected to affect the decision of the holders of Common Shares to accept or reject the offer;

AND UPON the Commission being of the opinion that so to order is in the public interest;

IT IS ORDERED pursuant to section 123 of the Act that trading in the Common Shares pursuant to the Offer shall cease and Marshall shall not take up and pay for Common Shares previously deposited pursuant to the Offer, provided that this order shall automatically terminate if

- (a) Marshall extends the date by which Common Shares may be deposited pursuant to the Offer until October 23, 1981;
- (b) Marshall sends a notice of variation of the Offer to all of the offerees by mail posted no later than 5:00 p.m. on October 13, 1981; and
- (c) Such notice of variation sets out the details of the arrangements for financing that have been made by Marshall to ensure that the required funds are available to take up and pay for the Common Shares deposited pursuant to the Offer.

9th October, 1981.

"Henry J. Knowles"

"E.S. Miles"

NATIONAL RESOURCE EXPLORATIONS LTD.

UPON the application received September 10, 1981 (the "Application") of National Resource Explorations Ltd. ("National") to the Ontario Securities Commission (the "Commission") for an order pursuant to section 140 of the Securities Act, R.S.O. 1980, c.466 (the "Act");

AND UPON the Commission having read the Application and the recommendations of counsel for the staff of the Commission;

AND UPON it appearing to the Commission that:

1. National is required by paragraph 8 of a prior section 73 ruling of the Commission, dated June 11, 1981 and styled In the Matter of National Resource Explorations Ltd. as amended by an order dated August 4, 1981 (the "Prior Ruling"), to file and obtain a receipt for a prospectus under subsection 52(2) of the Act on or before August 20, 1981 as a condition precedent to the completion by National of certain trades currently being made by National under the Prior Ruling;
2. National was unable to file a prospectus under subsection 52(2) of the Act by August 20, 1981;

AND UPON it appearing to the Commission that to make the requested order would not be prejudicial to the public interest;

NOW THEREFORE it is ordered that the Prior Ruling be and is hereby varied by striking out the date "August 20, 1981", in paragraph 8 thereof and by substituting therefor the date "October 30, 1981" provided that:

1. National shall permit any Limited Partner who has subscribed for common shares of National pursuant to the Prior Ruling to withdraw the funds which accompanied his subscription; and
2. National shall forthwith furnish to each Limited Partner written notice of the substance of this order;

16th October, 1981.

"Harry S. Bray"

"E.S. Miles"

IN THE MATTER OF CONTINENTAL AIR LINES, INC.,
WESTERN AIR LINES, INC. AND
WESTERN CONTINENTAL TRANSPORTATION CORPORATION

UPON the application received on March 11, 1981 and perfected on October 2, 1981 of Continental Air Lines, Inc. ("Continental") and Western Air Lines, Inc. ("Western") to the Ontario Securities Commission (the "Commission") for:

- (a) a ruling pursuant to section 73 of the Securities Act, R.S.O. 1980, c.466 (the "Act") that the issue of securities of a corporation to be formed on the consolidation of Continental and Western (the "Consolidated Corporation") is not subject to section 24 or 52 of the Act; and
- (b) an order pursuant to section 87 of the Act exempting each of Continental, Western and the Consolidated Corporation from the requirements of Part XVIII of the Act and section 80 of the Act;

AND UPON it appearing that:

- 1. By an Agreement of Consolidation dated as of August 29, 1980, Continental and Western agreed to consolidate into a new corporation the name of which is to be Western & Continental Transportation Corporation;
- 2. Continental is a corporation incorporated under the laws of Nevada, Western is a corporation incorporated under the laws of Delaware and the Consolidated Corporation will be a corporation incorporated under the laws of Delaware;
- 3. The common stock of Continental and the common and preferred stock of Western are, and the common and preferred stock of the Consolidated Corporation will be, registered under the Securities Exchange Act of 1934 in the United States of America;
- 4. Neither Continental nor Western is a reporting issuer;
- 5. Ontario residents are the holders of approximately 0.10% of the issued and outstanding common stock of Continental and approximately 0.46% of the issued and outstanding common stock of Western;

AND UPON reading the application and the recommendation of the Commission staff;

AND UPON the Commission being satisfied that so to rule would not be prejudicial to the public interest;

AND UPON the Commission being satisfied in the circumstances of the particular case that there is adequate justification for so ordering;

IT IS RULED pursuant to section 73 of the Act that the issue of shares of common and preferred stock of the Consolidated Corporation pursuant to the consolidation of Continental and Western is not subject to section 24 or 52 of the Act;

AND IT IS ORDERED that each of Continental, Western and the Consolidated Corporation be and it is hereby exempted from the requirements of Part XVIII of the Act and section 80 of the Act until such time as it becomes a reporting issuer.

15 October, 1981.

"Henry J. Knowles"

"R.T. Morgan"

CEASE TRADING ORDERS

CAN-CON ENTERPRISES & EXPLORATIONS LIMITED (NOW AUBET RESOURCES INC.)

The cease trading order dated June 8, 1973, and continued June 21, 1923, was rescinded October 21, 1981, the Company being now up-to-date with its filings.

DANIEL DIVERSIFIED LIMITED

The cease trading order dated October 7, 1981, was continued October 21, 1981, pending the company complying with Part XVII of the Securities Act.

MILNER CONSOLIDATED SILVER MINES LTD.

The cease trading order dated October 6, 1981, was continued October 20, 1981, pending the company complying with Part XVII of the Securities Act.

FIRST CITY PROPERTIES INC. (FORMERLY STATE MUTUAL INVESTORS INC.)

A temporary cease trading order was issued October 19, 1981, for failure to make statutory filings. Statutory hearing is November 2, 1981, at 10.00 a.m.

CARD LAKE COPPER MINES LIMITED

A temporary cease trading order was issued October 16, 1981, for failure to make statutory filings. Statutory hearing is October 30, 1981, at 10.00 a.m.

DAYTON PORCUPINE MINES LIMITED

The cease trading order dated October 2, 1981, was continued October 16, 1981, pending the company complying with Part XVII of the Securities Act.

EXPLANATORY NOTES

Information contained in this section has been summarized from insider reports filed with the Commission.

The name of the issuer is followed by a brief description of the class of security the name of the person or company reporting and his or its relationship to the issuer. If a person has an indirect interest in the securities reported, e.g., through holding companies, affiliate companies, partnerships, trusts or other entities, this is shown. Symbols are used in the column "Transaction and Ownership Symbol" to indicate the nature of ownership i.e., direct or indirect. Similarly the character of transactions is indicated provided the transactions are other than a purchase or sale. (See guide to symbols below):

GUIDE TO SYMBOLS

RELATIONSHIP (appearing after the name reported)

- | | |
|------|---|
| "B" | - Beneficial Owner (direct or indirect) of equity shares of a reporting issuer carrying more than 10% of the voting rights attached to all equity shares of the reporting issuer outstanding. |
| "D" | - Director of principal reporting issuer. |
| "DI" | - Director of an issuer or a reporting issuer which is an insider or subsidiary of the principal reporting issuer. |
| "K" | - Exercises control or direction (direct or indirect) of equity shares of a reporting issuer carrying more than 10% of the voting rights attached to all equity shares of the reporting issuer. |
| "S" | - Senior Officer of principal reporting issuer. |
| "SI" | - Senior Officer of an issuer or a reporting issuer which is an insider or subsidiary of the principal reporting issuer. |

NATURE OF OWNERSHIP

- | | |
|-----------|---|
| No Symbol | - Securities are beneficially owned directly. |
| Symbol #1 | - The reporting person or company beneficially owns and/or has control or direction over securities which are held by a company, associate, partnership, trust or other entity. |

CHARACTER OF TRANSACTION

- | | | | |
|------------|----------------------------|-----|------------------------------|
| No Symbol- | purchase or sale | "M" | - internal |
| "A" | - bequest or inheritance | "Q" | - qualifying shares |
| "C" | - compensation | "R" | - redeemed (called, Matured) |
| "E" | - exchange or conversion | "T" | - stock dividend |
| "F" | - exercise of rights, etc. | "V" | - stock split |
| "G" | - gift | "X" | - exercise of option |
| "IR" | - initial report | "Z" | - distribution |

*Returned for reconciliation purposes.

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
ACTION TRADERS INC	Common	George F Deeth	D I R			64000
AGNICO-EAGLE MINES LIMITED	Common	Paul Penna Jakmin Investments Limited	Sept/81 X -- 1	200000		270652
ALBERTA ENERGY COMPANY LTD	Common	Hector J McFadyen Children	S I R Sept/81 I R 1	4000		44400
ALBERTA NATURAL GAS COMPANY LIMITED	Common	Carl O Nickle Conventures Limited	DB Sept/81 -- 1	3200		34900 1230000
ALGONQUIN MERCANTILE CORPORATION	Common	Cecil H Franklin Minaco Equipment Limited	DSB Sept/81 -- 1	400		225856
	Preferred	Algonquin Mercantile Corporation	Sept/81 Sept/81 R	560	120	32688
AMERADA HESS CORPORATION	Common	Neal Gelfand Indirect Holding	S Sept/81 -- 1	500		760
		A T Jacobson Amended Indirect Holding	S -- Jun/81 1			3500 5000
AMERICAN EXPRESS COMPANY	Common	Charles W Duncan Jr Duncan Investors Ltd	D I R I R 1	8000		69924 8000
AMERICAN QUASAR PETROLEUM CO	Common	Wilford B Fultz Indirect Holding	DSB Sept/81 1	2500		1500 1500
						2139492

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
AMERICAN QUASAR PETROLEUM CO (continued)	Common	Richard L Lowe Trustee for children	DS Sept/81		5000	1708379
AMPAL - AMERICAN ISRAEL CORPORATION	Common	Theodore Felner	D I R			---
	4% Preferred	Irwin S Field	D --			201
	6 1/2% Preferred	Irwin S Field	--			1465
	Class A	Michael Jaffe	DS Jul/81	4000		5000
	Class A	Edward D and Ann Mitchell Family Foundation	B I R			253190
	4% Preferred	"	I R			2000
	6 1/2% Preferred	"	I R			35861
	Class A	Isaac M Oberman	D I R			700
	6 1/2% Preferred	Isaac M Oberman	I R			429
	Class A	Harry Pachter	S I R			---
	4% Preferred	Sheldon Recht	S I R			---
	4% Preferred	Melvin M Schwartz Wife	D --			471
	6 1/2% Preferred	Melvin M Schwartz Wife	Aug/81 1	1210		1237
			--			488
			Aug/81 1	2270		2296
AMTELECOM INC	Common	Roy B Barnard	DS Jul/81	10		90
			Oct/81	10		
		Walter Berko	S Oct/81	20		50

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
ANTHES INDUSTRIES INC	Common	Judith A Buress	DI I R			---
		Lawrence Bonnyycastle	DI			
	Common	Personal				
	Class A Pref Warrants	Holding Company	I R 1			27000
		"	I R 1			1000
		"	I R 1			12500
	Common	Donald A Bordlemay	SI I R			---
		Ernest J Koroluk	SI I R			2500
		G L Ploder	DI I R			5000
		Garnet T Watchorn	DDI I R			---
AQUITAINE COMPANY OF CANADA LTD	Common	John B Hague	D I R			---
		H Anthony Hampson	D I R			---
		John O O'Brien	D I R			---
		Stanley G B Pearson	D I R			---
ARCTURUS SMALL BUSINESS DEVELOPMENT LIMITED	Class A	District Trust Company	B I R			891
	Common	District Trust Co	I R			891
ARGUS CORPORATION LIMITED	Common	John R Finlay	D Aug/81	T 138		238
	Class C	John R Finlay	Aug/81	T 417		417
	Common	Wendell F White	S			
		RRSP	Sept/81	1 800		800

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
ARGUS CORPORATION LTD	Common	Franklin D Radler	D Sept/81	T 113		213
ASSOCIATE INVESTORS LIMITED	Class A	Charles B Magee	D Sept/81	74		6991
ASSOCIATED PORCUPINE MINES LIMITED	Common	C A Burns 466307 Ontario Limited	DS Sept/81	2000		45029
			-- 1			199000
ATLANTIC RICHFIELD COMPANY	Common	Douglas C McNair Amended Thrift Plan D G McNair Trust	S Apr/81	1 853		2397 6528
		William M Read Amended Thrift Plan	S Mar/81	1 282		1887
		William M Fischbach Thrift Plan	S Jun/81	1 104		645
B C SUGAR REFINERY LIMITED	Class A Common	Ian Angus	D Aug/81	400		42000
		William Hetherington	D Sept/81	600		9000
BAKER INTERNATIONAL CORPORATION	Common	R Robert Harris	S Sept/81	500		2567
		Robert R Lynch	S Sept/81	4230		4230
BANK OF MONTREAL	Common	Pierre Cote	D Aug/81	500		7500
	Common Preferred	John E Toten John E Toten	S Sept/81 Sept/81	1000	1200	2002 1000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
BANK OF NOVA SCOTIA THE	Common	Peter C Godsoe	S Sept/81	4000		4337
BANKENO MINES LIMITED	Common	Turbo Resources Limited	B Sept/81	4000		1942287
BATHURST PAPER LIMITED	Preferred	Consolidated-Bathurst Inc	B Sept/81	500		83705
BAY MILLS LTD	Common	Peter Kaye Trustee	--- Sept/81	100		7803 7153
BELL CANADA	Common	John H Aitchison	SI Aug/81	32		759
		Howard M Bender	SI Aug/81	45		1378
		John S Buchan	SI Aug/81	31		1774
		Frank T Chaikowsky	SI Aug/81	22		433
		John Elliott	SI Aug/81	30		545
		Harvey S W Goodwin	SI Aug/81	27		195
		Robert Kenedi	SI Aug/81	31		242
		John A Roth	SI Aug/81	41		309
BONANZA OIL & GAS LTD	Common	Don V Ingram	D Sept/81	7000		658326
		Summit Joint Venture	Sept/81	200		120000
			-- 1			492350
		Hi-Lo Holdings Ltd	Sept/81	275000		13700
BRAMALEA LIMITED	Common	Joseph Lebovic	E ---			1917400
		West Hill Redevelopment Company Limited	Sept/81	13100		

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
BRASCAN LIMITED	Class A	Jaime Ortiz-Patino	DS Sept/81	100000		100000
BRITISH COLUMBIA RESOURCES INVESTMENT CORPORATION	Common	David L Helliwell RRSP	D Sept/81 -- 1	5		5310 2700
		Peter M Steele Investment Partnership	SI I R I R Sept/81 1		1000	300 1000 ---
CADILLAC FAIRVIEW CORPORATION LIMITED THE	Common	Allen E Diamond Whitecastle Investments Limited In Trust	D -- Oct/81 1 -- 1		150000	1137 1749593 45
	Series A Pref	The Cadillac Fairview Corporation Limited	May/81 R Aug/81 R Sept/81 Sept/81 R	33260	17200 29900 33260	---
CAE INDUSTRIES LTD	Common	Lawrence H Prokop	SI Sept/81	3600		3600
CALVERT-DALE ESTATES LIMITED	Class A Class B	Richard J Wilson Richard J Wilson	S I R I R			10000 1000
CAMCHIB RESOURCES INC	Common	Campbell Resources Inc	B Aug/81 Sept/81	300 22600		713032
CAMFLO MINES LIMITED	Common	Robert M Smith	DS Sept/81	1200		18200
CAMPEAU CORPORATION	Common	Jean C Paradis Stock Purchase Plan	DS Sept/81 M Sept/81 M1	4148	4148	4220 36856

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CAMRECO INC	Common	Philip S Broadhurst DI RRSP Nanook Corporation	Sept/81 1 -- 1	4800		34700 4900
CANADA DEVELOPMENT CORPORATION	Class B	David C H Stanley DI	Sept/81	700		700
CANADA PACKERS INC	Common	Canada Packers Inc	Sept/81 Sept/81 R	5700	5700	---
CANADA PERMANENT MORTGAGE CORPORATION	Common Series B Pref	Grant W MacLaren D Grant W MacLaren	Sept/81 Sept/81		250	---
	Common Series B Pref	Robert Stollery D Robert Stollery	Sept/81 Sept/81	20	250	20
	Common Class B Pref	George L Jennison D George L Jennison	Sept/81 Sept/81	20	250	---
CANADIAN FOREMOST LTD	Special	Jay G Scott Amended	Jul/81 Sept/81	500 200		20
CANADIAN MARCONI COMPANY	Common	Edgar O Herzfeld DS Controlled	-- Sept/81 1	300		3100
CANADIAN UTILITIES LIMITED	Series F Pref Preferred	John A Walker S William D Grace DS	I R Oct/81			600 300
CANDEL OIL LTD	Common Preferred	Sulpetro Limited B Sulpetro Limited	Sept/81 Sept/81	90942 69975		13419421 69975
CANRAY RESOURCES LIMITED	Common	Murray Axmith DS	Sept/81	2000		88209

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CAPITAL CABLE TV LTD	Class A Common	James R Shaw Amended James R Shaw Securities Limited	Jun/81 Aug/81 Sept/81 Jun/81	1 1 1 1	2000 800 1800 1000	237750 117150
CARENA BANCORP HOLDINGS INC	Class B Common	James R Shaw Sec. Ltd				
	Common	Manfred J Walt	SI Sept/81	600		1700
CARLSON MINES LIMITED	Common	Donald R Munnings	DS I R			20000
		Allan H Green	D I R			5000
		Paul A MacMillan	D I R			6000
		Paul M Pidcock	D I R			1000
		Robert J G Platt	DSB I R			727000
CAROLIN MINES LIMITED	Common	Joseph S LaBine	D Sept/81		2000	71100
		Grace McKay	Sept/81		1000	6800
		Roy G McKay	DS Sept/81		2000	74550
CASSIDY'S LTD	Common	James H Brodeur Brodrum Inc Other Indirects	DISI Sept/81 -- --		1100	816 8929 3504
CENTRAL FUND OF CANADA LIMITED	Class A	Central Fund of Canada Limited	Sept/81 Sept/81	2450		---
CENTRAL PATRICIA LIMITED	Common	Martin P Connell RRSP	DSB Sept/81 --	20700	2450	1198802 48000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CENTRAL PATRICIA LIMITED	Common	James A Kalman	S Sept/81 X	4000		30000
CENTRAL TRUST COMPANY	Class A	J Edward Murphy	DS Oct/81	300		11600
CHIEFTAIN DEVELOPMENT CO LTD	Common	Gerald W Youell	S Sept/81 E	5769		170169
	Preference	Wife Gerald W Youell	-- 1 Sept/81 E		500	1350 2000
		Chieftain International Inc	Sept/81	12700		22450
		Harold L Hitchins	D Sept/81	500		3500
		Stanley A Milner	DSB --			1327449
	Preference	Private Company Stanley Milner	Sept/81 E1 Sept/81 E	23076	2000	23076 10000
	Common	Norman Orr	S Sept/81 E	576		1576
	Preference	Wife Norman Orr	-- 1 Sept/81 E		50	100 200
CHRYSLER CORPORATION	Common	Richard Goodyear	S I R			---
		J D Withrow Jr	S Sept/81		1237	1000
CHUM LIMITED	Common	Marjorie V Waters Amended	Feb/80 Sept/81	500 100		1400
CITIES SERVICE COMPANY	Common	Robert C Moore Amended Thrift Plan	S Sept/81 X -- 1	2399		2919 4241
		Philip J Reilly Thrift Plan	S Sept/81 X Sept/81 -- 1	1093	449	1093 3265

ISSUER	SECURITY	INSIDER	D	I	R	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CLARION PETROLEUMS LTD	Common	T Iain Ronald	D						
		Duncan R Bird	S			---			23363
		Canada Trust				Oct/81 M1	10100		10100
COCKFIELD BROWN INC	Common	243978 Alberta Ltd	B			Jun/81	3400		95000
COMBINED INTERNATIONAL CORPORATION	Common	Ronald K Homberg Children	DS			Jun/81		100	7299
						---			300
		Wallace J Buya	S			Sept/81		2000	9234
COMIESA CORPORATION	Common	W Clement Stone	D			Sept/81		9100	581117
		Wife				Sept/81		58200	1126502
						---			43500
COMINCO LTD	Common	Irvine Berscheid	S			Sept/81	500		1714
		Myles N Anderson	DS			Sept/81	800		
COMMERCIAL FINANCE CORPORATION LIMITED	Common Preferred A Preferred B	Investors Finance Corporation Limited	B			Sept/81 E			3790642
		"				Sept/81 R		5000	10393
		"				Sept/81 E		440429	---
		William L Henderson Amended	DS			Sept/81 E			2002
	Class B	William L Henderson				Sept/81 E	2000	250	---
COMMERCIAL OIL & GAS LIMITED	Common	John R Finlay	D			Sept/81			10000
						Oct/81	10000	5000	
		John R Finlay Limited				---			35000
						---			1
		George W Oughtred	S			Aug/81	200		1275100
						Sept/81	1700		

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
COMMERICAL OIL & GAS LIMITED (continued)	Common	Stock Purchase & Loan Agreement RRSP	--	1		100000
			--	1		224500
COMTERM INC	Common	Robert B Fraleigh	DS Sept/81	4000		29001
		Laurent Nadeau	DSB Sept/81 Sept/81	8500	1000	378428
		Daniel S Miller RRSP	DS Sept/81 --	3500		35631 500
CONSOLIDATED IMPERIAL RESOURCES	Common	Louis Civil	D Sept/81		6000	82301
		Harold Kochberg In trust for children	DS Sept/81		29100	30000
			--	1		25000
CONSOLIDATED LOUANNA GOLD MINES LIMITED	Common	Joseph Charpentier	D I R			1000
		Trustees-Alternate Thrift Trust	K Sept/81 Sept/81 M	8406	5287	2575711
CONSOLIDATED NATURAL GAS COMPANY	Common	Walter F Mondale	D I R			100
		Robert D Schmidt	S Sept/81 V	4035		8070
		Marvin R Swenson	S Sept/81 V	1500		3000
		R A Baldelli	S Sept/81 V	1500		3000
CONTROL DATA CORPORATION	Common					

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CONTROL DATA CORPORATION (continued)	Common	Howard R Fricke	S Sept/81 V	4000		8000
		Thomas G Kamp	DISI Sept/81 V	12435		24870
		J J Karnowski	S Sept/81 V	5716		11432
		William R Keye Wife	DS Sept/81 V Sept/81 V1	5388 5487		10776 10974
		Richard G Lareau Wife	D Sept/81 Sept/81 1	1100 300		2200 600
		William D Rowe Daughter Son	S Sept/81 V Sept/81 V1 Sept/81 V1	5700 74 74		11400 148 148
		Roger D Shober Children	S Sept/81 V Sept/81 V1	2916 300		5832 600
		Vernon E Sieling	S Sept/81 V	7940		15880
		E E Strickland Wife & Children	S Sept/81 V Sept/81 V1	10008 1900		20016 3800
		George F Troy	S Sept/81 V	5000		10000
		Roger C Wheeler	S Sept/81 V	5250		10500
		Joseph W Barr	D Sept/81 V	200		400
		Judson Bemis	D Sept/81 V	600		1200
		Norbert R Berg Wife & sons	S Oct/81 -- 1		1000	41264 7084

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CONTROL DATA CORPORATION (continued)	Common	Franklin R Dawe Wife	S Sept/81 W Sept/81 V1	4451 60		8902 120
		Robert W Duncan	S Sept/81 V	6000		12000
		Robert W Kleinert	S Sept/81 V	2004		4008
		Philip M Morse	D Sept/81 V	150		300
		Russel A Nelson	D Sept/81 V	100		200
		Emmanuel Otis	S Sept/81 V	7077		14154
		Lois D Rice	D Sept/81 V	2550		5100
		Bernard Schriever	D Sept/81 V	610		1220
		Leroy F Stutzman Wife	D Sept/81 V Sept/81 V1	2295 679		4590 1358
		H Norman Stewart	D Sept/81	14		490
		Nickle Family Foundation	B Sept/81	23100		774826
		Jennie O Zacharuk	S Sept/81	1035		6461
CONVENTURES LIMITED	Common	David R Greig	S Sept/81	1042		4674
		Jack C Cooper	DS Oct/81		3000	340542
		Montreal Trust Company	B			
COOPER CANADA LIMITED	Common	Candou Industries Ltd	Sept/81 1	38200		486000
COPPERFIELDS MINING CORPORATION	Common					

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
COPPERFIELDS MINING CORPORATION (continued)	Common	Keevil Holding Corporation	B Sept/81		349154	670846
CORBY DISTILLERIES LIMITED	Common	Hiram Walker-Gooderham & Worts Limited	B Apr/81	35400		1043972
	Class B	"	Sept/81	9650		41650
COSKEA RESOURCES LIMITED	Common	Peter R Kutney	D Sept/81	3600		117170
CRESTBROOK FOREST INDUSTRIES LTD	Common	Montreal Trust Company Candou Industries Ltd	B			
			Oct/81	1	3900	512820
CYPRUS CORPORATION	Common	Willard Rockwell Jr Rockwell Cyprus Associates	S I R			3948038
	Preferred	Willard Rockwell Jr	I R I R	1		1893339
CZAR RESOURCES LTD	Common	Bonnie O Rawlyck	S Sept/81		2000	30700
D'ELDONA GOLD MINES LIMITED	Common	Regal Finance Limited Barbara & Seymour Landau	--- Sept/81	1		791934
DALMYS (CANADA) LIMITED	Common C	Fred Perlman	DS Oct/81		10000	8000
		Philip Perlman	DS Oct/81		10000	364784
DAON DEVELOPMENT CORPORATION	Common	Daon Development Corporation Amended Bromont Holdings Ltd	B			364784
			Sept/81	1	2000	4219800

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
DAON DEVELOPMENT CORPORATION (continued)	Common	Richard M Tucker	DI Sept/81		2000	7000
		James C Whitehead	S Sept/81		2400	42798
DART & KRAFT INC	Common	Justin Dart	D Jan/81 G Jul/81 G Sept/81		95 120 20000	
		Estate Trust	--- 1			212343 6545
DELTA PETROLEUM CORPORATION LTD	Common	Thatcher Townsend Jr D Townsend Investment Company	Sept/81	5000		30000
DICKENSON MINES LIMITED	Class A	Peter L Munro	DS I R			2000
DIGITECH LTD	Common	Donald W Simpson Wife	DS --- Sept/81 1	400		500
DOMINION STORES LTD	Common	Franklin D Radler F D Radler Ltd	DI I R I R 1			61618 400
		Warren Trumbull	D Sept/81 E Sept/81	125	125	127 1900
DOMINION TEXTILE INC	Common	Ilay C Ferrier	S Sept/81 Sept/81	1050	1100	---
DOMTAR INC	Common	Duncan S Curry Member of Investment Committee for Pension Plans of Domtar Inc	D Sept/81 --- 1	1000		1050 ---
						46600

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
DOMTAR INC (continued)	Common	Michel Plessis-Belair	D I R			---
		Guy Coulombe	D I R			---
DRUMMOND MCCALL INC	Series A Common	James H T McBride	S I R			500
		Share Purchase Plan	I R 1			1750
DYNAMAR ENERGY LIMITED	Common	Richard B Hillary	S Aug/81	300		
		RRSP	Sept/81	1500		3100
			Sept/81 1	100		1300
		Allan D Rogan	DS Sept/81	3000		118000
E-L FINANCIAL CORP	Common	Terrance J Wright	DS Sept/81	3000		43000
		Ralph M Barford	D Sept/81 1	1300		5000
ELECTROHOME LIMITED	Common Y	Valford Holdings	S Sept/81	100		1325
		Harold I Eby	S Sept/81			
ELKS STORES INC	Common	Agnico-Eagle Mines Limited	B Sept/81 F Sept/81	1460750 19900		1501650
		William F White	DS Sept/81	4000		65000
ENERGY & PRECIOUS METALS INC	Class A	Alfred T Davies	D Jun/81 Aug/81 Sept/81 Sept/81	252 300 223	300	19456
		Edward J Ledder	D Sept/81	900		4300
		S R Singer	S Sept/81 X	1961		4479
		Stock Purchase Plan	-- 1			5117
ENSERCH CORPORATION	Common					

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
ETHYL CORPORATION	Common	Floyd Gottwald Jr DS	--			817674
		Savings Plan	Sept/81 1	191		25816
		Other Indirects	-- 1			96935
		Roger A Moser S	--			995
		Savings Plan	Sept/81 1	11		1417
		Lawrence Blanchard Jr DS	--			24585
		Savings Plan	Sept/81 1	49		7616
		Wife	-- 1			1000
		Marcellian Gautreaux DS	--			6488
		Savings Plan	Sept/81 1	25		4032
FEDERAL INDUSTRIES LTD	Class A Common	James M Gill DS	--			6967
		Savings Plan	Sept/81 1	35		5556
		Bruce C Gottwald DS	--			598340
		Savings Plan	Sept/81 1	166		22159
		Other Indirects	-- 1			190608
		John O Baatz DISI	I R			1000
		Joseph M Tanenbaum B	Sept/81	6600		40600
		439245 Ontario Inc	Sept/81 1	200		626036
		439245 Ontario Inc	-- 1			61703
		Donald W Ford D	Sept/81		1000	35300
FORT NORMAN EXPLORATIONS INC	Common	Adam H Zimmerman DS				
FRASER INC	Common	Indirect Holdings	Sept/81 1	134		12506
		David J Hennigar D	1981 T	27		696
		Forest Lane Holdings	1981 T1	31		
			Sept/81 1		800	13

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
GASCOME OILS LTD	Common	Diamond Lalji	S Sept/81	62000		62000
		Albert J Langard	DS Sept/81	15600		2303300
		Merle McClain*	S Sept/81	6000		6000
		Morris McManus	D Sept/81	20000		20000
		Bertina Ng	S Sept/81	5000		5000
		Peter Saunderson	D Sept/81	20000		20000
		Wayne Schnick	S Sept/81	8186		
		Schnick Ventures Ltd	Sept/81		1000	11441
			Sept/81		9500	10000
			Sept/81	1		
GENERAL AMERICAN OIL COMPANY OF TEXAS	Common	Trustees of Stock Ownership Plan	Sept/81	856		
			Sept/81		343	29055
		Trustees of Employees Stock Bonus Plan	Sept/81	14937		
			Sept/81		4169	372305
		George R Elges	S Sept/81	C 138		11601
GENERAL MOTORS CORPORATION	Common	Savings-Stock Purchase Program	--	1		4519
		Thomas O Mathues	S Sept/81	C 66		3260
		Savings-Stock Purchase Program	--	1		663
		Daughter	--	1		10
		James D Moran	D Sept/81	4000		8000
GENSTAR CORPORATION	Preferred					

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
GENSTAR CORPORATION (continued)	Common	Robert D Armstrong Trust	I R 1			1000
GEORGE WESTON LIMITED	Common	Robert H Kidd	Sept/81	500		1000
GOLDALE INVESTMENTS LIMITED	Class A	Mark M Tanz United Income Properties Limited	--			200000
GOWGANDA SILVER MINES LIMITED	Common	John M Stirling	Sept/81 1	15000		277500
GRANDMA LEE'S INC	Series B Pref	Allan R Biggs 457326 Ontario Limited Concept Investors Limited	Sept/81 F Sept/81	40000 3000		117900
GRANDUC MINES	Common	John Weatherall Klondike & Le Moyne Investments Ltd	Aug/81 1 -- 1 --	10000		10000
GRASSET LAKE MINES LIMITED	Common	Benn F Penrose	Sept/81 1	2500		10000
GREAT WEST STEEL INDUSTRIES LTD	Class A Common	George Bogdanow Amended Deferred Profit Sharing Plan	Sept/81		5000	28000
		Douglas S Kennedy Amended Deferred Profit Sharing Plan	Sept/81 M1		1000	---
			Sept/81 M1		390	---
			Sept/81		30000	84530
			Sept/81 M1		554	---

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
GREAT WEST STEEL INDUSTRIES LTD (continued)		Mervyn Schweitzer Amended Deferred Profit Sharing Plan DS	--			201832
		William E Allen Amended Deferred Profit Sharing Plan S	Sept/81 M1	405		---
			Sept/81		2000	3000
			Sept/81 M1	423		---
		Trustees of Deferred Profit Sharing Plan K	Sept/81	13170		---
GREY FOX PICTURES INC	Units	Donald B Stratton Bim Investments Inc D	I R 1			64
		Peter B O'Brian Peter O'Brian's Independent Pictures Inc D	I R 1			6
		Leonard Leon Wife D	Sept/81 M1 -- M1	328		43607 1200
HALLIBURTON COMPANY	Common	William G Nolen S	Sept/81 M	15		7351
HERITAGE GROUP INC, THE	Common	Henry G Beben DS	Sept/81	100		6170
	Common	David G Thomas DS	Sept/81	32000		644752
HIGHWOOD RESOURCES LTD		Thatcher Townsend Jr D	Sept/81	5000		109707
HOLLINGER ARGUS LIMITED	Common	The Ravelston Corporation Limited B 89211 Canada Limited	Sept/81 E Sept/81 E1	782139 2663686		---

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
HUDSON'S BAY COMPANY	Series D Pref	Hudson's Bay Company	Sept/81 Sept/81 R	6	6	---
	Ordinary	Luigi Marzolini Employee Share Ownership Plan	S I R			2115
			I R	1		412
HUDSON'S BAY OIL AND GAS COMPANY LIMITED	Common	James L Gaffney Profit Sharing Plan	DI Sept/81	1	15	3769
		Patrick H Wesley Profit Sharing Plan	DI Sept/81	1	13	586
		Kenneth R Thomson Trust	B Sept/81 E1		805732	10712434
HUSKY OIL LTD	Common	Dr John Cowell	SI I R			---
IMPERIAL OIL LIMITED	Class A Common	Robert W Smith Trust	SI Sept/81	1	48	1275
INTERNATIONAL BUSINESS MACHINES CORPORATION	Capital	Erich Bloch	S I R			7612
		Patricia R Harris	D Sept/81	200		328
INTERNORTH INC	Common	Thomas S Nurnberger	D Sept/81	1000		6950
INVERNESS PETROLEUM LTD	Common	Robert A Wall	S Sept/81	200		200
IU INTERNATIONAL CORPORATION	Common	Magnus E Robinson Dividend Reinvest- ment Plan	S ---			7418
			Sept/81 T1	61		361
JOFFRE RESOURCES LTD	Common	Russell J Tripp*	S Sept/81		8275	1

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
JONPOL EXPLORATIONS LIMITED	Common	Robert A Pollock	D Jun/81 M		25000	55000
LA VERENDRYE MANAGEMENT CORPORATION	Common	Maurice Filiatrault Stock Option Plan	S Sept/81 -- 1	25		19235 10806
LOBLAW COMPANIES LIMITED	Common	Robert H Kidd	D Sept/81	3000		5000
LOCHIEL EXPLORATION LTD	Class A	Nicholas W Taylor	DSB Sept/81 G		56000	2881360
	Class B	RRSP	Sept/81	7000	2800	15936
	Preferred	Nicholas W Taylor RRSP	Sept/81 --	3800 26	56000	2345422 9361 290628 876
LONMED HOLDINGS LIMITED	Common	District Trust Company	B Oct/81	566		765
	Class A		Oct/81	573		772
MACMILLAN BLOEDEL LIMITED	Common	Eric Lauritzen Share Purchase Plan Management Share Purchase Plan	S Sept/81 1 -- 1		150	13
MAGNETICS INTERNATIONAL LTD	Common	Gerald M Curtis	DS Sept/81	2440		535
MANNVILLE OIL & GAS LTD	Common	Mannville Resources Ltd	B I R			39300
		William Tobman Tobman Resource Management Ltd Manville Resources Ltd	DS I R I R I R			1183978
						72459 146368

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
MARITIME TELEGRAPH & TELEPHONE COMPANY LIMITED	Common	Ivan E H Duvar Amended	Apr/81		145	---
MARSHALL BOSTON IRON MINES LTD	Common	Reginald W Lawrence	Sept/81	20000		20500
MASSEY FERGUSON LTD	Common	Robert A Morton	I R			---
		Roger Clarke	S I R			---
MDS HEALTH GROUP LIMITED	Class A Common	William A Breukelman 499678 Ontario Limited	I R			9000
		Executronics Ltd	I R			700
	Class B Common	499678 Ontario Limited	I R			11250
		Executronics Ltd	I R			700
MEDLON SMALL BUSINESS DEVELOPMENT LIMITED	Common	District Trust Company	B Oct/81	2810		3825
	Class A		Oct/81	573		772
MELCOR DEVELOPMENTS LTD	Common	Daon Development Corporation	B Sept/81		476675	---
		Timothy C Melton	S --			13100
		Melton Holdings Ltd	Sept/81	1200		1393935
		Trustee	--			113000
MERCANTILE BANK OF CANADA THE	Common	Bernard J Goyette	S Oct/81	1200		4466
MERLAND EXPLORATIONS LIMITED	Common	Robert K Dixon Trust	DS Aug/81		50000	119028
			--			4324
		Allan P Markin Trust	S Aug/81	7500		32884
			--			4185

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
MERLAND EXPLORATIONS LIMITED (continued)	Common	Douglas A Weston Trust	Aug/81 Sept/81 -- 1	7500	6000	19440 3352
MID-EAST DEVELOPMENTS LTD	Common	G S White Mirger Holdings Ltd	Sept/81 -- 1	500		93299 362500
MIKES SUBMARINES INC	Common	Austin C Beutel Oakwest Corporation Ltd	Jul/81 1 Sept/81 1	1000 8500		117702
MINERAL RESOURCES INTERNATIONAL LIMITED	Common Debentures	Security Trading Limited	Sept/81 Sept/81		118200 \$150000	1214723 ---
MISSION RIVER PETROLEUM LIMITED	Common	O F Carter	I R			1
MITEL CORPORATION	Common	Kent H E Plumley Personal Holding Company Other Indirect	-- Aug/81 1 -- 1		13000	862302 30500 55775
MOFFAT COMMUNICATIONS LIMITED	Common	James McLaughlin Stock Purchase Plan	Sept/81 Sept/81 1	225 6000		225 6000
	Class A Common	Randall L Moffat	Sept/81 E	44197		51897
	Class B Common	Stock Purchase Plan Randall L Moffat	Sept/81 1 -- E	8000		8000 1179550
	Common	William A Davis Stock Purchase Plan Family	-- Sept/81 1 -- 1	6000		9575 6000 973

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
MOLSON COMPANIES LIMITED, THE	Class A Common	Ivan A Cross	S I R			2500
		Philip E Barron*	DI Oct/81	465		2540
MONARCH INVESTMENTS LIMITED	Common	Taylor Woodrow Limited Taylor Woodrow Holdings Limited	B Sept/81	1 5445		1400766
MONCRIEFF URANIUM MINES LIMITED	Common	Bree Investments Inc	B I R			627524
		John Bitove	B I R			820608
MONENCO LIMITED	Class A	Arthur S Demers Arthur Demers Consulting Limited	DI Sept/81	1 1500		10500
MORRISON PETROLEUMS LTD.	Common	Morrison Petroleum Ltd. Amended	I R Aug/81	1400		25700 27100
MUNICIPAL SAVINGS & LOAN CORPORATION, THE	Common	William K Caldwell Lind-Cath Holdings Limited	D May/81 May/81	5 163		880 30163

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
NATIONAL BANK OF CANADA	Common	Roland Lefebvre	S Sep/81		200	100
		Michel F Belanger	DS Sep/81	5000		17000
NATIONAL TRUST COMPANY LIMITED	Common	James D Gibson	D Oct/81	10		899
NEW YORK OILS LIMITED	Common	Lenard M Sali	DS I R			2000
NORANDA MINES LIMITED	Common	William Allan Wife	S I R I R			6700 3598
		Camille Marcoux	S Sep/81	88		8406
		Jaime Ortiz-Patino	DS I R			95000
		James W McCutcheon	DI Mar/81	25		
			Jun/81	22		
			Sep/81	22		
		Trust	Sep/81		302	1814
			Sep/81		57	343
		Wilson J Barbour	S Sep/81	1100		7600
NORMICK PERRON INC	Common	Raymond Thibault	S Sep/81	1500		7450
		Albert Boisvert	D -			3000
		Midland Doherty Limited	Sep/81	1	4000	----
		Imperial Bank of Commerce	-	1		16500
NOVA, AN ALBERTA CORPORATION	Common	Eric H Shelton	S Sep/81		1000	720
NU-WEST GROUP LIMITED	Class "A"	Robert D Keenan D DISI Shebandowan Holdings Ltd Other Indirect	- Sep/81 -			53924
					6100	86800
						205652

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
OCCIDENTAL PETROLEUM CORPORATION	Common	Stonie Barker Thrift Plan	-			38789
			Jun/81	1	576	
			Jun/81	1	6939	---
		Leon E Daniel Thrift Plan	-			2902
			Jun/81	1	374	4804
		Albert A Gore Thrift Plan	-			2400
			Jun/81	1	585	6626
		Stock Purchase Plan	-			12558
			-	1		
		William F McSweeney Thrift Plan	-			11674
			Jun/81	1	391	4951
		Robert A Teitsworth Thrift Plan	-			44342
			Jun/81	1	843	12650
		Wife	-			100
			-	1		
		Richard H Vaughan Thrift Plan	-			25147
			Jun/81	1	644	9526
		Jerrold L Schecter Thrift Plan	-			2157
			Jun/81	1	122	302
		Martin NMN Berger Thrift Plan	Dec/80	G		11180
			Mar/81	X	3500	3704
			Jun/81	1	367	
		Child	-			33
			-	1		
		J J Dorgan Thrift Plan	-			32367
			Jun/81	1	687	8752
		Other Indirect	-			4629
			-	1		

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
OCCIDENTAL PETROLEUM CORPORATION (Continued)	Common	Dudley E Miller Thrift Plan	- Jun/81	1	424	9100 5427
OPI LTD	Common	A Carl Mudd Jointly owned	Jun/81	600		2600
OSHAWA GROUP LIMITED, THE	Class "A"	Leonard Eisen	Sep/81		300	555
PACIFIC COPPER MINES LTD	Common	Pacific Copper Mines Ltd	Sep/81	11300		110300
PARAMOUNT RESOURCES LTD	Common	Paramount Oil & Gas Ltd	Sep/81	27700		2169700
PARK LANE, THE	Units	James V Lyons	B I R			105
PATHFINDER RESOURCES LTD	Common	Jean M Allan	Sep/81	3000		33000
PEAT RESOURCES LIMITED		Vince Kavanagh	D I R			---
PELANGIO-LARDER MINES LIMITED	Common	James A Mortson	Aug/81	2000		261217
PENNINGTON'S STORES LIMITED	Preferred	Pennington's Stores Limited	Sep/81 Sep/81	550	550	---
PEOPLES JEWELLERS LIMITED	Common	Peoples Jewellers Limited	Sep/81 Sep/81	2700	2700	---
PETROTECH INC	Common	Peter C Golfing	Sep/81	10000		1024000
		John G Kiddoo Children	Sep/81 -	800		110850 500
PHOENIX RESOURCES	Common	John W Holliday	D I R			---

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
POLYCAM SYSTEMS LIMITED	Preferred Class "A"	P David Needham	DS I R			2300
	Common		I R			2000
PROVIGO INC	Common	Antoine Turmel	DS Sep/81	5000		52000
PUBLIC SERVICE ELECTRIC AND GAS COMPANY	Common	Richard A Uderitz Wife Custodian for Daughter	S I R			494
		Wife Custodian for Son	I R 1			178
			I R 1			178
QUARTET ENERGY RESOURCES, LTD	Common	Ralph O Kehle	DS Sep/81	1500		1500
QUEBEC EXPLORERS CORPORATION LTD (NPL)	Common	Douglas Layton	S Sep/81	5000		6000
QUEENSTON GOLD MINES LIMITED	Common	Robert M Gray	DS Sep/81		4600	135400
RANGER OIL LIMITED	Common	John J Newman	S Sep/81 X Sep/81	48000 24000		96000 2400
			-		1	
RED STONE RESOURCES LTD	Common	Edward Godin	D I R			100
REED STENHOUSE COMPANIES LIMITED	Common "A"	George L Elgood	D Jul/81	2500		5318
REICHOLD LIMITED	Common	Edward M Gres	S Sep/81		2400	-852
REVELSTOKE COMPANIES LTD	Common	Frank R Fortin Stock Purchase Plan	S Sep/81 Aug/81	200 52		5500 2858
		Neil E Fraser	S Sep/81	1500		3000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
REVELSTOKE COMPANIES LTD (Continued)	Common	Nominee Montreal Trust Co	Aug/81	1	49	1325
		Brian A Harris	Sep/81	1500		5500
		Keith A C McDowell	Sep/81	2000		22900
		Nominee Montreal Trust Co	Aug/81	1	18	2011
		Gordon D Roberts	Sep/81	2000		24000
		Nominee Montreal Trust Co	Aug/81	1	86	4043
		Victor R Roskey	Sep/81	2000		24672
		Nominee Montreal Trust Co	Aug/81	1	22	2503
		Howard M Sells	-			8100
		Nominee Montreal Trust Co	Aug/81	1	46	4231
		Gerald A Berkhold	DS			
		Nominee Montreal Trust Co	DISI			
		Venture Funding Corporation	Aug/81	1	100	7385
		Duncan S Curry	-	1		225656
		Nominee Montreal Trust Co	-			55720
		Venture Funding Corporation	Aug/81	1	119	4510
			-	1		499976

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
REVELSTOKE COMPANIES LTD (Continued)	Common	Lionel E Dobson	S Sep/81	1000		11179
		Nominee Montreal Trust Co	Aug/81	1	51	2511
		David A Dupont	S Sep/81	1000		5000
		Share Purchase Plan	Aug/81	1	52	1863
ROCKWELL INTERNATIONAL CORPORATION	Common	Lyle P English	S Sep/81	1500		4000
		Stock Purchase Plan	Aug/81	1	46	2883
		W F Rockwell, Jr	-			187603
		RMC Associates	Sep/81	1	20954	1064209
ROYAL BANK OF CANADA, THE	Common	George W Jeffs	S Oct/81	9000		10000
		Dawn R McKeag	D Oct/81	187		3000
		John N T Rednall	S Aug/81	8		1215
		R A N Bonnycastle	DDI I R			---
RUPERTSLAND RESOURCES CO LTD	Common	D A Bordlemay	SI I R			---
		Judith A Burgess	DI I R			---
		Keith Davey	DI I R			900
		G L Ploder	DI I R			14850
	Class "A" Warrants		I R			6250
			I R			6250
	Class "B" Warrants		I R			6250
			I R			---
	Common	Ernest J Koroluk	SI I R			---
		Garnet T Watchorn	DDI I R			1000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
SCEPTRE RESOURCES LIMITED	Common	Consolidated-Bathurst Inc	B Sep/81	21400		2125600
		John D Andrew	SI I R			1284
SCINTREX LIMITED	Common	Jolamar Investments & Enterprises Ltd	B Sep/81		600	382774
SCOTT PAPER LIMITED	Common	George L O'Leary	DS Sep/81		100	255
SCOTT'S HOSPITALITY INC	Class "C"	Judine Holdings Limited	B Oct/81	680000		2660424
	Common	Graymont Limited	B Sep/81		896	
			Sep/81	Z	2240000	---
	Class "C"		Sep/81	Z	1910000	---
SEAGRAM CO LTD, THE	Common	John A Minor	DI I R			60
SHELL OIL COMPANY	Common	James H DeNike	S -			240
		Nominee Bradford Trust Co	Sep/81	1	3	80
SLATER STEEL INDUSTRIES LIMITED	Common	Candou Industries Limited	B			
		Amended In Trust with Montreal Trust Company	Aug/81	1	9200	374200
			Sep/81	1	49900	424100
SOUTHAM INC	Common	Gordon H Southam	D			
		Haso	Sep/81	1	1737	154892
		GoHaso	Sep/81	1	1185	105694

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
STANDARD OIL COMPANY LIMITED	Common	Victor H Brown	S Oct/81	1700		51188
			X Oct/81	3371		
STANFORD RESOURCES LIMITED	Common	Ian I Roher Janian Investments Ltd	D Sep/81	22800		36000
			-			10000
			1			
STRATHCONA RESOURCES INDUSTRIES LTD	Common	Edward L Shapero	D Sep/81	1400		2977
			Oct/81	61500		73725
SULPETRO LIMITED	Common "B"	John Weatherall Klondike & Le Moyne Wife	D -			250000
			-			10500
			Sep/81	500		152693
			1			
SUPERIOR OIL COMPANY, THE	Common "B"	Simon Chillewich	D Sep/81	30700		18100
						1000
						1273
SYSTEMHOUSE LTD	Common "A"	Ross A MacKimmie	D I R			---

TALISMAN MINES LIMITED	Common	L O Satterfield, Jr	S Aug/81	480		
JONCO MINING COMPANY LIMITED	Common	Frank T Watts	S Jun/81	1500	1500	80100
			Jun/81			
			Jul/81	1000	1000	92500
			Jul/81			
JONCO MINING COMPANY LIMITED	Common	Edward F Carr	Sep/81	2500	2500	
			Sep/81			
JONCO MINING COMPANY LIMITED	Common	DS	Oct/81	20000		
			Oct/81	20000		
JONCO MINING COMPANY LIMITED	Common	Jonco Mining Company Limited	-		20000	

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
TANGLEWOOD PETROLEUM CORPORATION (Continued)	Common	Harvey Capp	DS I R			30001
	Preference	Ronald Steiner	DSB I R I R			187501 187500
	Common	John D Rosart	D I R			80001
TDRI LIMITED	Short Term & Promissory Notes	The Toronto-Dominion Bank	B Sep/81 Sep/81	\$2001000		
	Common "A"	Metallgesellschaft AG			\$887000	\$1350000
TECK CORPORATION		Metallgesellschaft Canada Limited	Sep/81 1	5000		1054300
	Common	William M Carpenter Thrift Plan	- Sep/81 1	175		4000 6955
TENNECO INC		H E Daniels	-			100
		Thrift Plan	Sep/81 1	92		3336
		ADRS Plan	Sep/81 1	2		24
		Son	- 1			5
		Vincent F Ewell Jr Thrift Plan	Sep/81 1	67		1799
		Joe B Foster Thrift Plan	- Sep/81 1	204		2273 6275
		Allen T McInnes Thrift Plan	Sep/81 1	742		4213
		Byron Tunnell Thrift Plan	- Sep/81 1	52		1000 1564
		Richard A Robinson Wife	- - 1			362 300

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
TENNECO INC (Continued)	Common	Thrift Plan	Sep/81	1	86	2318
TEXAS EASTERN CORPORATION	Common	Ralph S O'Connor	D Sep/81	6000		25984
		E E Hickam	SI I R			---
TEXAS INTERNATIONAL COMPANY	Common	George Platt	D Sep/81		50000	147784
TOMBILL MINES LIMITED	Common Class "B"	James S Palmer	D Sep/81	50000		50000
		Brackley Holdings Ltd	--	1		10100
TORONTO SUN PUBLISHING CORPORATION, THE	Common	John D Creighton	DS Oct/81		20000	83008
TOTAL PETROLEUM (NORTH AMERICA) LTD	Common	John E Fawke	S Sep/81		1000	1000
TRADERS GROUP LIMITED	Class "B"	John P Bassel	D Sep/81	400		6922
TRANS-CANADA RESOURCES LTD	Common	William J Sullivan	DS I R			9300
TRANS-WESTERN EXPLORATION INC	Common	J F Langston, Jr	DS Sep/81		15300	192000
TRANSALTA UTILITIES CORPORATION	Common "A"	Michael J Halpen RRSP	S Sep/81 Sep/81	75 34		75 334
	Rights	F A R McKinnon	S Sep/81	2050		---
	Common "A"		Sep/81 Sep/81 Sep/81	F F F	2050	915

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
TRANSALTA UTILITIES CORPORATION (Continued)	Class "B"	Robert G Black	DS 1981	356		4078
	Common	Edward J Barry	S 1981	53		1410
	Common "A"	Kenneth F McCready RRSP	S - 1981 1	77		339 561
	Common	Craig E Moore	S I R			10100
TRINITY RESOURCES INC		James D McMahan	S I R			10000
		Gerald F Benberg	S I R			10000
		Tom A McQuilllin	S I R			10000
		Bruce E Ellison	S Aug/81	10000		20000
TRIZEC CORPORATION LTD		Kathryn C Tatum	S I R			400
	Common	David B Lewington Nominee Montreal Trust Co	S Aug/81 1	10000		26000
		Olympia & York Developments Limited B Olympia & York Investments Corporation	Sep/81 1	2274732		2729756
	Class "A"	Luc Prefontaine	B Aug/81	100		2500
UAP INC	Common	Glen H Muir	S Sep/81	14000		12009
ULTRAMAR COMPANY LIMITED	Common "A"	Albert J Latner Latner Family Investments Limited	D			
UNICORP FINANCIAL CORPORATION			Sep/81 1	5500		88142

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
UNION GAS LIMITED	Common "A"	Gerald E Miller	Jul/81	206		712
		Savings and Stock Investment Program	Jul/81		206	
			1981	330		590
		John Webel	Jul/81		374	8384
		Savings and Stock Investments Program	1981	407		840
UNITED STATES STEEL CORPORATION	Common	Donald C Ingram	-			9405
		Savings Plan	1981	501		2294
		William W LaRoche	I R			---
VICTORIA AND GRAY TRUSTCO LIMITED	Common	John G Mosley	Sep/81	9		613
		E-L Financial Corporation				
		E-L Financial Corp Ltd	Sep/81	2278		149866
		Dominion of Canada-Life A/C	Sep/81	9750		641321
		Dominion of Canada-Gen. A/C	Sep/81	17609		1183208
		Empire Life Insurance Co	Sep/81	43488		2860356
		Casualty Company of Canada	Sep/81	5008		329441
		George G Thomson	I R			3023

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
VILLACENTRES LIMITED	Common	David L Laven	Aug/81 T Aug/81 V	4608 470016		705024
		Monte P Nathanson MPN Holdings Ltd	Aug/81 T1 Aug/81 V1	3000 306000		459000
		Irving Schwartz	Aug/81 T Aug/81 V	1260 128520		192780
WALL & REDEKOP CORPORATION	Common	Peter Redekop	Sep/81	2000		1533340
		Peter Wall	Sep/81	3500		1825295
WARREN EXPLORATIONS LIMITED	Common	John A Pollock Jonpol Investments Ltd	Sep/81	4000		5001
		Jonpol Explorations Limited	Sep/81 1		6000	41000
WARRINGTON INC	Common	Philip Chiarella	Sep/81 1 I R	3000		5000
WILLROY MINES LIMITED	Common	Robert C Stanley Jr	Sep/81	3000		125000
WORLDWIDE ENERGY CORPORATION	Common	Robert B Tenison	Sep/81 G		1500	5000
WRIGHT-HARGREAVES MINES, LIMITED	Common	John C L Allen	Jul/81 Aug/81 Sep/81 Oct/81	5000 5000 5000		80196
YELLOWKNIFE BEAR RESOURCES INC	Common	C William Streif	Oct/81	500		5569
YORK CENTRE CORPORATION	Class "A"	Shirley A Walker	Sep/81	100		105

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
YORK CENTRE CORPORATION (Continued)	Class "A"	Gill Construction Limited	B Sep/81	6400		282750
YVANEX DEVELOPMENTS LIMITED	Common	John L Gairdner	D Sep/81	20000	3000	206000
		RRSP	Sep/81	3500		3500
		In Trust	Sep/81	300		300
ZEPHYR RESOURCES LTD	Common	K M Stephenson Kenaco Commercial Services Ltd	DSB			
			I R	1		33500

NOTICES OF EXEMPT FINANCINGS

REPORTS OF TRADES SUBMITTED ON FORM 20 (AND ITS PREDECESSOR)
UNDER THE SECURITIES ACT 1978

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Sep. 29, 1981	Toronto Dominion Investments, Inc.	Advanced Robotics Corp. - series "A" convertible preferred	\$ 18.00	27,778 shrs
Sep. 30, 1981*		The Consumers' Gas Co. Ltd. - 18½% debentures 1981 series	75,000,000.00	\$75,000,000.00
Oct. 1, 1981*	Mrs. Olgs Thompson	Fromar Explorations Ltd. common shares	1.50	1,000 shrs
Oct. 1, 1981	W. Cope	"	1.50	5,000 "
Oct. 1, 1981	George Sharples	"	1.50	1,000 "
Oct. 1, 1981	Alan R. Patte	"	1.50	1,000 "
Oct. 1, 1981	George Colomvakos	"	1.50	1,000 "
Oct. 1, 1981	Christie J.B. Clarke	"	1.50	1,000 "
Oct. 1, 1981	Robert A. Dye	"	1.50	1,000 "
Oct. 1, 1981	John Peat	"	1.50	1,000 "
Sep. 30, 1981	Robert G. Peters	C.R.A. Oil & Gas Ltd. units	10,000.00	10 units
Sep. 30, 1981	Joyce MacRae	"	10,000.00	5 "
Sep. 30, 1981	Lyle F. Dunkley	"	10,000.00	5 "
Sep. 30, 1981	Richard Lyle	"	10,000.00	10 "
Sep. 30, 1981	C & K Holdings Ltd.	"	10,000.00	10 "
Sep. 30, 1981	Frank J. Wolff	"	10,000.00	10 "
Sep. 30, 1981	Donald W. McDonald	"	10,000.00	10 "
Sep. 30, 1981	Mona Libin	"	10,000.00	10 "
Sep. 30, 1981	Strathfield 81 Venture	"	10,000.00	10 "

* Report improperly filed

Continued

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Sep. 30, 1981	Herbert D. Wyman	C.R.A. Oil & Gas Ltd. \$ units	10,000.00	18 units
Sep. 30, 1981	Ericksen Datsun Ltd.	"	10,000.00	10 "
Sep. 30, 1981	Strathfield Resources Ltd.	"	10,000.00	10 "
Sep. 30, 1981	J. Joseph Hodorek	"	10,000.00	12 "
Sep. 30, 1981	Gallant-Lloyd Syndicate	"	10,000.00	10 "
Sep. 30, 1981	Garry W. Ferguson	"	10,000.00	4 "
Sep. 30, 1981	J. David Wedell	"	10,000.00	4 "
Sep. 30, 1981	Thomas John Parkinson	"	10,000.00	1 unit
Sep. 30, 1981	Baldur Johnson	"	10,000.00	1 "
Sep. 30, 1981	Robert A. Splane	"	10,000.00	10 units
Sep. 30, 1981	Richard Bellringer	"	10,000.00	10 "
Oct. 13, 1981	Claybrook Energy Inc.	Coronation Resources (Canada) Inc.	.6252	439,890 shrs
Oct. 13, 1981	Swanson and Crow	"	.6252	439,890 "
Aug. 1, 1981	Mr. Eric Brooks	Nuco Graphics Inc. - convertible voting preferred shares	.50	7,000 "
Aug. 1, 1981	Miss Alison Youngman	"	.50	8,000 "
Aug. 1, 1981	Mrs. Jane Roth	"	.50	5,000 "
Aug. 1, 1981	Mr. Peter Neudorf	"	.50	50,000 "
Aug. 1, 1981	Mr. Peter Banwell	"	.50	6,000 "
Aug. 1, 1981	Newman Brothers Ltd.	"	.50	50,000 "
Aug. 1, 1981	Mr. Harold Coles	"	.50	20,000 "
Aug. 1, 1981	Resort Management of Canada Inc.	"	.50	4,800 "

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Aug. 1, 1981	Mr. Michael H. Iles	Nuco Graphics Inc. - convertible voting preferred shares	.50	10,000 shrs
Aug. 1, 1981	Mr. Daniel A. Thompson	"	.50	24,000 "
Aug. 1, 1981	Credo Investment Ltd.	"	.50	150,000 "
Aug. 1, 1981	Mr. N. Charles Brewster	"	.50	50,000 "
Aug. 1, 1981	Mrs. Muriel J. Brewster	"	.50	10,000 "
Sep. 25, 1981	E. Lane	New Form Television Ltd. - units of "An Evening at the Improv"	33,816.00	2 units
Sep. 25, 1981	James I. Vessey	"	16,908.00	1 unit
Sep. 25, 1981	John A. Hall	"	33,816.00	2 units
Sep. 25, 1981	A. R. McMurrich	"	33,816.00	2 "
Sep. 25, 1981	George Layt	"	33,816.00	2 "
Sep. 25, 1981	David A. Barbour	"	16,908.00	1 unit
Sep. 25, 1981	Howard J. Kaufman	"	16,908.00	1 "
Sep. 25, 1981	R. P. Riffin	"	33,816.00	2 units
Sep. 25, 1981	Lorne G. French	"	16,908.00	1 unit
Sep. 25, 1981	Robert Fleetham	"	16,908.00	1 "
Sep. 25, 1981	Kenneth L. Beaugrand	"	16,908.00	1 "
Sep. 25, 1981	H. John Stollery	"	16,908.00	1 "
Sep. 25, 1981	A. Holmes	"	16,908.00	1 "
Sep. 25, 1981	George H. Clements	"	16,908.00	1 "
Sep. 25, 1981	Peter H. Findlay	"	33,816.00	1 "
Sep. 25, 1981	Thomas Bell	"	84,540.00	5 units
Sep. 25, 1981	A. William Breck	"	33,816.00	2 "

Continued

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Sep. 25, 1981	John G. Davis	New Form Television Ltd. - units of "An Evening at the Improv"	\$ 33,816.00	2 units
Sep. 25, 1981	James M. Cameron	"	33,816.00	2 "
Sep. 25, 1981	David Gee	"	16,908.00	1 unit
Sep. 25, 1981	William Jacob Bijli	"	16,908.00	1 "
Sep. 25, 1981	Thomas R. Lamont	"	33,816.00	2 units
Sep. 25, 1981	J.H. Matthews	"	84,540.00	5 "
Sep. 25, 1981	Terrance W. Sutherland	"	16,908.00	1 unit
Sep. 25, 1981	John Leng	"	118,356.00	7 units
Sep. 25, 1981	Robert Foster	"	10,145.00	40 "
Sep. 25, 1981	Paul Kahnert	"	10,145.00	1 unit
Sep. 25, 1981	William E. Bateman	"	10,145.00	4 units
Sep. 25, 1981	J. Gordon Arnold	"	10,145.00	5 "
Oct. 7, 1981	Brascade Resources Inc.	Noranda Mines Ltd. common shares	40.00	12,500,000 shrs
Oct. 9, 1981	T.R.L. Investments Limited	MSZ Resources Ltd. - common shares	2.70	1,000,000 "
Oct. 9, 1981	"	MSZ Resources Ltd. - warrants-exercisable on or before October 1, 1982	3.00	333,334 wrts
Oct. 9, 1981	"	MSZ Resources Ltd. - warrants-exercisable from Oct. 2, 1982 to Oct. 1, 1983	3.30	333,333 "
Oct. 9, 1981	"	MSZ Resources Ltd. - warrants-exercisable from Oct. 1, 1983 to	3.60	333,333 "

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Oct. 16, 1981	Dofasco Employees' Savings and Profit Sharing Fund	Revenue Properties Central Developments Ltd. - participating debentures series "A" bearing interest at rates between 10% and 12.5% per annum	\$ 340,000.00	\$ 340,000.00
Oct. 16, 1981	"	"	170,000.00	170,000.00
Oct. 6, 1981	Cocallia Corp.	Petroinc Resources Ltd.	.50	500,000.00

FORM 21 (AND ITS PREDECESSOR) - RESALE OF SECURITIES

<u>Date of Resale</u>	<u>Date of Original Purchase</u>	<u>Seller</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Oct. 1, 1981	May 22, 1979	Bantor Company	Bow Valley Ind. \$ Ltd. - common shares	8.67	30,000 shrs
Oct. 1, 1981	May 22, 1979	Bantor Company	"	8.67	16,700 "
Oct. 15, 1981	Oct. 3, 1980	1980 Trust #2	The Coniagas Mines Ltd. common shares	2.15	50,000 "
Oct. 13, 1981*	Aug. 17, 1979	Resolute Petroleum Ltd.	Augdome Corp. Ltd.-common shares	2.00	10,000 "
Sep. 17, 1981	June 27, 1980	Jaytownl Syndicate	Lava Cap Resources Ltd. common shares	4.20	4,800 "
Sep. 28, 1981	Aug. 13, 1979	Petrosol Investors	Petro-Sun Inc.	Dissolution of Petrosol Investors Partnership	42,500 "
Sep. 28, 1981	Aug. 13, 1979	"	"	"	6,667 "
Sep. 28, 1981	Aug. 13, 1979	"	"	"	6,667 "
Sep. 28, 1981	Aug. 13, 1979	"	"	"	6,666 "

TAKE-OVER BIDS, ISSUER BIDS

THE SEAGRAM COMPANY LTD.

NOTICE OF INTENTION - FORM 35 - SULPETRO LIMITED

CONTINUOUS DISCLOSURE FILINGS

MATERIAL RECEIVED PURSUANT TO THE ACT & REGULATIONS

A ANNUAL FINANCIAL STATEMENTS
B INFORMATION CIRCULAR (FORM 30) OR REPORT (FORM 28)
C INTERIM FINANCIAL STATEMENTS
D TAKE-OVER, ISSUER BIDS AND RELATED MATERIAL
E OTHER REPORTS
F REPORT OF MATERIAL CHANGE (FORM 27)

A MAN CALLED INTREPID	C
ABITIBI-PRICE INC.	E
ACKLANDS LIMITED	E
ADVOCATE MINES LIMITED	E
ALBANY OIL & GAS LIMITED	B E
ALBERTA ENERGY COMPANY LTD.	E
ALCAN ALUMINUM LIMITED	E
ALGOMA CENTRAL RAILWAY	E
AMAX INC.	E
AME LIMITED	C
AMERACRUDE INTERNATIONAL INC.	E
AMERICAN EAGLE PETROLEUMS LIMITED	E
AMERICAN EXPRESS COMPANY	E
AMERICAN QUASAR PETROLEUM CO.	E
ARCHEAN OIL LIMITED	C
ASSOCIATED RECREATION CORP.	A B
ATLANTIC RICHFIELD COMPANY	E
AURELIAN SMALL BUSINESS DEVELOPERS LTD.	A B
AVCO FINANCIAL SERVICES CANADA LIMITED	C
AVOCA APARTMENTS LIMITED	C
B.C. SUGAR REFINERY LIMITED	E
BAKERTALC INC.	E
BANK OF BRITISH COLUMBIA	E
BANK OF MONTREAL	E
BAR RESOURCES LIMITED	E
BARBECON INC.	B
BAVARD RESOURCES LIMITED	C
BAXTER RESOURCES CORPORATION	C
BECKERS' MILK CO. LTD.	E
BIG LONG LAC GOLD MINING COMPANY LIMITED	C
BLAKE RESOURCES LTD.	E
BLUESKY OIL & GAS LTD.	C
BOW VALLEY INDUSTRIES LTD.	E
BRANBURY EXPLORATIONS LIMITED	C
CADILLAC FAIRVIEW CORPORATION LIMITED, THE	E
CAMEL OIL & GAS LTD.	E
CAMINDEX MINES LIMITED	A B C
CANADA CEMENT LAFARGE LTD.	E F
CANADA DEVELOPMENT CORPORATION	E

CANADA PACKERS INC.
 CANADA TRUST COMPANY INVESTMENT FUND, THE
 CANADEX RESOURCES LIMITED
 CANADIAN CURTISS-WRIGHT LIMITED
 CANADIAN LENCOURT MINES LIMITED
 CANADIAN OCCIDENTAL PETROLEUM LTD.
 CANADIAN REALTY INVESTORS
 CAPSTONE INVESTMENT TRUST
 CAROLIN MINES LTD.
 CARVERN INTERNATIONAL INDUSTRIES LTD.
 CELINA RESOURCES INC.
 CENTRAL FUND OF CANADA LIMITED
 CHEROKEE RESOURCES LIMITED
 CHIB-KAYRAND COPPER MINES LIMITED
 CHIBOUG COPPER CORPORATION LIMITED
 CINCINNATI RESOURCES INC.
 CITIES SERVICE COMPANY
 CLARION PETROLEUMS LTD.
 CO-OPERATIVE TRUST COMPANY OF CANADA - GROWTH FUND
 CO-OPERATIVE TRUST COMPANY OF CANADA - INCOME FUND
 COLES BOOK STORES LIMITED
 COMBINED INTERNATIONAL CORPORATION
 CONSOLIDATED LOUANNA GOLD MINES LTD.
 CONSOLIDATED REACTOR URANIUM MINES LTD.
 CORONATION RESOURCES (CANADA) INC.
 COSEKA RESOURCES LIMITED
 CZAR RESOURCES LTD.
 DANIEL DIVERSIFIED LIMITED
 DE HAVILLAND AIRCRAFT OF CANADA, LIMITED, THE
 DENISON MINES LTD.
 DERLAK RED LAKE GOLD MINES, LIMITED
 DICKENSON MINES LTD.
 DOFASCO INC.
 DOMINION STORES LIMITED
 DOMTAR INC.
 DRUMMOND, MCCALL INC.
 DUNCAN GOLD RESOURCES INC.
 DYNAMAR ENERGY LIMITED
 EXROY RESOURCES LTD.
 EXTENDICARE LTD.
 F.C.A. INTERNATIONAL LTD.
 FEDERAL INDUSTRIES LIMITED
 FIRAN-GLENDALE CORPORATION
 FIRST CANADIAN MORTGAGE FUND
 FLEMDON LTD.
 FLYING CROSS PETROLEUM CORP.
 FORD MOTOR COMPANY OF CANADA LTD.
 FRUEHAUF CANADA INC.
 G & B AUTOMATED EQUIPMENT LIMITED
 G.M. RESOURCES LIMITED
 G.V.T. FOODS LIMITED
 GARRISON CREEK CONSOLIDATED MINES LIMITED
 GAZ METROPOLITAN, INC.
 GEORGE WESTON LIMITED
 GERIN INC.
 GLENCAIR RESOURCES INC.
 GOLDEN BRIAR MINES LIMITED

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GOLDEN SHAFT MINES LIMITED	C
GRAND BAY EXPLORATIONS LIMITED	C
H.C.I. HOLDINGS LIMITED	E
H.O. FINANCIAL LIMITED	B C E
HALLIBURTON COMPANY	E
HAMILTON GROUP LIMITED, THE	E
HAYES-DANA INC.	E
HEADWAY PROPERTY INVESTMENT 77-I	B
HEADWAY PROPERTY INVESTMENT 77-II	B
HEADWAY PROPERTY INVESTMENT 77-III	B
HEADWAY PROPERTY INVESTMENT 77-IV	B
HEADWAY PROPERTY INVESTMENT 78-I	B
HEADWAY PROPERTY INVESTMENT 78-II	B
HEADWAY PROPERTY INVESTMENT 78-III	B
HEMERDON MINING & SMELTING LIMITED	E
HIGHWOOD RESOURCES LTD.	C E
HIRAM WALKER RESOURCES LTD.	E
HOLLINGER ARGUS LIMITED	E
HUDSON BAY MINING AND SMELTING CO. LIMITED	E
HUNTER DOUGLAS N.V.	E
INCO LIMITED	E
INVERNESS PETROLEUM LTD.	A B E
IVEST FUND INC.	A
JAMEX RESOURCES LIMITED	F
JONES-HEWARD FUND LTD.	A B
K-TEL INTERNATIONAL, INC.	E
KEEN INDUSTRIES LIMITED	C E
KERR-MCGEE CORPORATION	H
LAKE ONTARIO CEMENT LIMITED	E
LASSITER KUMA OILS LTD.	E
LES TERRAINS AURIFERES MALARTIC (QUEBEC) LIMITED	B E
LEXINGTON RESEARCH FUND INC.	C
LOBLAWS LIMITED	C
LUCKY STAR, THE	E
LYNDEX EXPLORATIONS LIMITED	C
MACQUEST RESOURCES LTD.	C
MARK'S WORK WEARHOUSE LTD.	F
MARSHALL BOSTON IRON MINES LTD.	C
MATE YELLOWKNIFE GOLD MINES LIMITED	E
MSR EXPLORATION LTD.	E
MEDCON RESOURCES LTD.	E
MERCANTILE BANK OF CANADA, THE	C
MERGED MINING ENTERPRISES LIMITED	E
MERIDIAN CONCEPTS LTD.	C
MINING GEOPHYSICS COMPANY LIMITED	E C
MITEL CORPORATION	E
MSZ RESOURCES LTD.	E
N R D MINING LTD.	E
NATIONAL SEA PRODUCTS LIMITED	E
NATIONAL TRUST COMPANY, LIMITED	E
NEW BIDLAMAQUE GOLD MINES LTD.	C
NEW BRUNSWICK TELEPHONE CO. LTD., THE	F
NEWFOUNDLAND CAPITAL CORPORATION LIMITED	E
NOR-ACME GOLD MINES LIMITED	E
NOWSCO WELL SERVICE LTD.	E
NUMAC OIL & GAS LTD.	E
OCELOT INDUSTRIES LIMITED	E

ZAPATA CORPORATION
FLAG OILS LIMITED
GUARANTY TRUST MANAGED RETIREMENT SAVINGS PLAN
HENNIGER BREWERY (ONTARIO) LTD.
INTERNATIONAL PAPER COMPANY
JENNIFER PETROLEUMS LTD.
JONROB ASSOCIATES LIMITED
KANDAHAR RESOURCES LTD.
MOSQUITO CREEK GOLD MINING COMPANY LIMITED, THE
NORFOLK TRUST COMPANY
ROCK ORE EXPLORATION & DEVELOPMENT LTD.
TANDY CORPORATION

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NEW ISSUE AND SECONDARY FINANCING

AERO ENERGY LTD.

Final receipt issued October 16, 1981, for a prospectus dated October 15, 1981 qualifying for sale in Ontario 1,000,000 underwritten common shares at a price to the public of \$6.25 per share to net the issuer \$5.8125 before deducting issue expenses.

Promoter: Donald Andrew Duguid

Underwriter: Bache Halsey Stuart Canada Ltd.

AMPAL-AMERICAN ISRAEL CORPORATION

Final receipt issued October 20, 1981 for the prospectus dated August 28, 1981 offering U.S. \$12,716,000 ten year, 10% redeemable debentures, Series AA.

AMPAL-AMERICAN ISRAEL CORPORATION

Final receipt issued October 20, 1981 for the prospectus dated August 28, 1981 offering U.S. \$15,000,000 ten year, 12% redeemable debentures, Series FF.

DEER RIDGE VILLAGE LIMITED PARTNERSHIP

A final receipt was issued October 22, 1981 for a prospectus dated October 19, 1981, qualifying for sale 300 limited partnership units at a price of \$15,000 per unit, to net the partnership \$4,095,000 before deducting expenses of issue. This issue is not underwritten but is offered on a best efforts basis.

Promoter: Qualico Developments Ltd.

ORRWELL ENERGY CORPORATION LTD.

A final receipt was issued on October 20, 1981, for a prospectus dated October 16, 1981 qualifying for sale 2,000,000 common shares without par value for \$0.25 per share.

Promoter: Charles Gordon Awde

Agents: Registered securities dealers

TRANSCANADA PIPELINES LIMITED

Receipt issued October 19, 1981 for final prospectus dated October 19, 1981 qualifying 80,000,000 cumulative redeemable retractable first preferred shares Series F. The shares are retractable by shareholders in 1984 and 1988 and are redeemable by the Company in 1987. To be offered at \$50.00 per share to yield 14.36%.

Underwriters: Nesbitt Thomson Securities Limited
Wood Gundy Limited
McLeod Young Weir Limited
Midland Doherty Limited

PRELIMINARY PROSPECTUSES WITHDRAWN

AMPAL-AMERICAN ISRAEL CORPORATION
(SERIES GG DEBENTURES AND CLASS "A" STOCK)

The preliminary prospectus dated June 29, 1981 was withdrawn on September 1, 1981 at the request of the issuer.

CANADIAN NATIONAL RAILWAY COMPANY

The preliminary prospectus dated March 26, 1981 has been withdrawn by the Company by request received September 28, 1981.

CORONATION RESOURCES (CANADA) INC.

A preliminary prospectus dated June 23, 1981 has been withdrawn at the request of the Company.

THE T. EATON ACCEPTANCE CO. LIMITED

A preliminary prospectus, dated May 22, 1981, has been closed pursuant to regulation 25(2) of the Securities Act.

SCINTREX LIMITED

The preliminary prospectus dated July 28, 1981 has been withdrawn at the request of the Company.

UNION GAS LIMITED

A preliminary prospectus dated June 18, 1981 was withdrawn on October 19, 1981 at the request of the Company.

PRELIMINARY PROSPECTUSES RECEIVED

October 20, 1981

The T. Eaton Acceptance Co. Limited

National Issue - Ontario

Offering \$ *,000,00 * % sinking fund debentures (unsecured) at a price of * and accrued interest, if any.

Underwriter: Dominion Securities Ames Limited

Relax Inns Partnership I

National Issue - Alberta

Offering 2,050 units at a price of \$1,000 per unit with a minimum subscription of 5 units.

Agent: Walwyn Stodgell Cochran Murray Limited

OCTOBER 1981

TERMINATIONS

SECURITIES

EXEMPT PURCHASER

Imasco Pension Fund Society,
4 Westmount Square,
Montreal, Quebec.
(effective October 18, 1981) Lapsed

VOLUNTARY WITHDRAWALS

BROKER and INVESTMENT DEALER

Peters & Co. Limited,
Suite 710,
330 Bay Street,
Toronto, Ontario.
M5H 2S8.
(effective October 8, 1981) Voluntary Surrender

OTHER INFORMATION

TRANSFERS WITHIN ESCROW

MCPHAR INSTRUMENT CORPORATION

<u>From</u>	<u>To</u>	<u>No. of Shares</u>
Venture International Limited	Bank of Montreal	942,000 common shares

Provided:

the Transfer is made subject to the terms and conditions of the escrow as reflected in an agreement dated August 28, 1981 made between Venturetek International Limited, National Trust Company, Limited, McPhar Instrument Corporation and Bank of Montreal.

RELEASE FROM ESCROW

EVERGREEN ENERGY RESOURCES LTD.

The Commission has consented to the pro-rata release of 794,732 escrowed shares, provided that the 450,000 shares remaining in escrow be donated back to the Company.

NORTHUMBERLAND MINES LIMITED

The Commission has consented to the release of 187,000 shares held escrow in the name of William L. Young.

TD REALTY INVESTMENTS

The Commission has consented to the release from escrow of 162,934 units of TD Realty Investments (the "Trust") beneficially owned by The Toronto-Dominion Bank, such units to be surrendered as part of the termination of the Trust.

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Ontario
Securities
Commission

OSC Bulletin

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NOTICE

IN THE MATTER OF PART XV OF THE BY-LAWS OF
THE TORONTO STOCK EXCHANGE

COMMISSION RATE STRUCTURE

LOCATION OF HEARING 23 NOVEMBER 1981

As previously announced, the Ontario Securities Commission will be holding a hearing, commencing at 10 o'clock in the forenoon of 23 November 1981, to consider whether it is in the public interest that the Toronto Stock Exchange's fixed minimum commission rate structure be continued.

The location of the hearing will be:

Courtroom 19
4th Floor
Courthouse for the Judicial
District of York
361 University Avenue

A schedule of appearances will be settled by Wednesday 18 November. Those who have advised the Secretary to the Commission that they wish to appear will be contacted by the Secretary's Office by Friday 20 November 1981 as to their placement on the list.

O.S.C. Policy 3-57
Prospectuses for Real Estate Oriented Securities

At the Canadian Securities Administrators' annual meeting held last week in Charlottetown the Commissions of Quebec, Saskatchewan and Ontario agreed to adopt a policy statement concerning cash flow projections in prospectuses for real estate oriented securities. The policy reflects consideration of the submissions received in response to the request for comments on Interim O.S.C. Policy 3-57.

A national policy statement giving general guidelines for the filing of a prospectus for real estate programs is under consideration and if adopted by the Administrators it will replace the provincial policy on cash flow projections.

DECISIONS, ORDERS & RULINGS

IN THE MATTER OF ADANAC MINING AND EXPLORATION LTD.

WHEREAS Adanac Mining And Exploration Ltd. ("Adanac") is a company incorporated under the laws of the Province of British Columbia;

AND WHEREAS Adanac has made an application, which application was initially received and perfected on September 15, 1981, to the Ontario Securities Commission (the "Commission") for an order pursuant to section 79(b)(iii) of the Securities Act, R.S.O. 1980, c. 466 (the "Act");

AND WHEREAS the Commission is of the opinion that to grant this order would not be prejudicial to the public interest and is satisfied in the circumstances of this particular case that there is adequate justification for so doing;

IT IS ORDERED pursuant to section 79(b)(iii) of the Act that Adanac be and hereby is exempted from the requirement to file pursuant to section 76 and from the requirement to send pursuant to section 78 of the Act, interim financial statements for each of the first and third quarters of each of Adanac's financial years provided that:

1. By a vote of the security holders of Adanac entitled to vote, taken at each annual meeting of the security holders, a majority of the votes cast shall approve of this exemption, but the results of such votes, in any case, shall be reported to the Commission in writing within ten business days of the taking thereof; and
2. This exemption shall terminate forthwith after the occurrence of a material change in the affairs of Adanac unless the Commission is satisfied that the exemption should continue.

28th October, 1981.

"Henry J. Knowles"

"H. S. Bray"

IN THE MATTER OF THE CANFUND MILLSTREAM PARTNERSHIP

UPON the application, received and perfected October 1, 1981 of The Canfund Millstream Partnership, a Company incorporated under the laws of Canada, to the Ontario Securities Commission (the "Commission") for an order pursuant to Section 82 of the Securities Act, R.S.O. 1980, c.446 (the "Act");

AND UPON it being represented that The Canfund Millstream Partnership now has fewer than fifteen security holders resident in Ontario;

AND UPON the Commission being satisfied that to grant this order would not be prejudicial to the public interest;

IT IS ORDERED pursuant to Section 82 of the Act that The Canfund Millstream Partnership be and hereby is deemed to have ceased to be a reporting issuer for the purposes of the Act for so long as it shall have fewer than fifteen security holders whose latest address as shown on the books of The Canfund Millstream Partnership is in Ontario.

28th October, 1981.

"Henry J. Knowles"

"H. S. Bray"

IN THE MATTER OF DOMINION DAIRIES LIMITED

WHEREAS Dominion Dairies Limited ("Dominion") is a company incorporated under the laws of Canada;

AND WHEREAS Dominion has made an application, which application was received and perfected on September 21, 1981, to the Ontario Securities Commission (the "Commission") for an order pursuant to section 82 of the Securities Act, R.S.O. 1980, c.466 (the "Act");

AND WHEREAS Dominion has represented to the Commission that it has fewer than fifteen security holders resident in Ontario;

AND WHEREAS the Commission is satisfied that to grant this order would not be prejudicial to the public interest;

IT IS ORDERED pursuant to section 82 of the Act that Dominion be and hereby is deemed to have ceased to be a reporting issuer for the purposes of the Act for so long as it shall have fewer than fifteen security holders whose latest address as shown on the books of Dominion is in Ontario.

27th October, 1981.

"Henry J. Knowles"

"Harry S. Bray"

IN THE MATTER OF CITY INVESTING COMPANY

AND

IN THE MATTER OF G D V, INC.

UPON the application of City Investing Company (the "Applicant") received October 21, 1981 and perfected October 28, 1981, to the Ontario Securities Commission (the "Commission") pursuant to section 99(e) of the Securities Act, R.S.O. 1980, C. 466, (the "Act") for an order exempting it from the requirements of Part XIX of the Act;

AND UPON it appearing that:

1. The Applicant is a corporation incorporated under the laws of the State of Delaware;
2. G D V, Inc. ("G D V") is a corporation also incorporated under the laws of the State of Delaware, with common shares listed on The Toronto Stock Exchange;
3. The Applicant has made an offer (the "Offer") to purchase for cash any and all outstanding shares of common stock (the "Shares") of G D V in full compliance with the federal securities laws of the United States of America; and
4. There are resident in Ontario 128 holders of Shares of G D V holding 621,208 (3.95%) of the 15,726,712 Shares outstanding;

AND UPON the Commission being of the opinion that to do so would not be prejudicial to the public interest;

IT IS ORDERED pursuant to section 99(e) of the Act that the Applicant be and hereby is exempted from the requirements of Part XIX of the Act with respect to the Offer provided that all material sent to security holders of G D V resident in the United States of America in connection with the Offer shall be filed with the Commission and sent to security holders of G D V resident in Ontario.

28th October, 1981.

"Henry J. Knowles"

"Harry S. Bray"

IN THE MATTER OF
G. & B. AUTOMATED EQUIPMENT LIMITED

UPON the application, received May 28, 1981 and perfected on July 3, 1981, of G. & B. Automated Equipment Limited (the "Issuer"), a company incorporated under the laws of the Province of Ontario, to the Ontario Securities Commission (the "Commission") pursuant to section 73 of the Securities Act, R.S.O. 1980, c.466 (the "Act") for a ruling that the proposed grant by the Issuer of an option to purchase 3,000 common shares in the capital stock of the Issuer ("Shares") to Dr. Francis E. Kristof and of an option to purchase 3,000 Shares to Thomas P. Kalman (the "Options") is not subject to section 24 or 52 of the Act;

AND UPON reading the application and the recommendation of staff of the Commission;

AND UPON it being represented to the Commission that:

1. The Issuer is a reporting issuer not in default of any requirement of the Act or the Regulations thereunder;
2. Each of Dr. Francis E. Kristof and Thomas P. Kalman is a director (the "Director") but not an employee, an officer or a promoter of the Issuer;

AND UPON the Commission being satisfied that to rule as requested would not be prejudicial to the public interest;

NOW THEREFORE IT IS RULED pursuant to section 73 of the Act that the proposed grant of the Options to the Directors is not subject to section 24 or 52 of the Act on the following conditions:

1. that the Options are non-transferable;
2. that the first trade of each of the Shares acquired through exercise, in whole or in part, of either of the Options (the "First Trade") is a distribution, unless

(a) such First Trade is a trade exempted from section 52 by subsection 71(1) of the Act and the Director making such exempt trade complies with the reporting requirements of the Act and Regulations thereunder applicable to such exempt trade; and

- (b) (i) the Issuer is a reporting issuer not in default of any requirement of the Act or the Regulations thereunder;
 - (ii) each of the Shares included in such First Trade has been held by the Director making such First Trade from the date of acquisition for at least the minimum period of time specified in clause 71(4)(b) of the Act, as if such Shares had been acquired pursuant to one of the clauses of subsection 71(1) of the Act specified in subsection 71(4) of the Act;
 - (iii) no effort is made to prepare the market or create a demand for the Shares and no extraordinary commission or consideration is paid in respect of such First Trade; and
 - (iv) the Director making such First Trade in reliance upon and in accordance with the terms of this condition 2(b), within ten days of such First Trade, files with the Commission a letter indicating such reliance and, excepting reference to subsection 71(4) of the Act, providing the information required in a Form 21 as prescribed by the Regulations;
- 3. that the Issuer shall cause to be delivered to each Director a copy of this ruling; and
 - 4. that each Director furnishes to and files with the Commission within ten days of receipt of a copy of this ruling, a written acknowledgement that he has received a copy of this ruling.

28th October, 1981.

"Henry J. Knowles"

"H.S. Bray"

IN THE MATTER OF PETROLINE EXPLORERS INC.

UPON the application, received in completed form on October 20, 1981, of Petroline Explorers Inc. (the "Issuer"), a Company incorporated under the laws of Ontario, to the Ontario Securities Commission (the "Commission") for an order pursuant to Section 79(b)(iii) of the Securities Act, R.S.O. 1980, c.466, (the "Act") and Commission Policy 3-36 exempting the Issuer from the requirements of Sections 76 and 78 of the Act;

AND UPON the Commission, pursuant to Section 6 of the Act, having assigned to me the power to make such an order where a reporting issuer satisfies me that it is dormant or inactive in the sense used in Commission Policy 3-36;

AND UPON being satisfied that in the circumstances of this particular case there is adequate justification for so doing;

IT IS ORDERED pursuant to Section 79(b)(iii) of the Act that the Issuer be and hereby is exempted from filing with the Commission and sending to holders of its securities interim financial statements;

AND IT IS FURTHER ORDERED that these exemptions shall terminate thirty days after the occurrence of a material change in the Issuer's affairs unless the Issuer satisfies the commission that such exemptions should continue.

27th October, 1981.

"J. F. Leybourne"

IN THE MATTER OF TEAM ENERGY & MINERALS INC.

UPON the application, received in completed form on October 20, 1981, of Team Energy & Minerals Inc. (the "Issuer"), a Company incorporated under the laws of Ontario, to the Ontario Securities Commission (the "Commission") for an order pursuant to Section 79(b)(iii) of the Securities Act, R.S.O. 1980, c.466, (the "Act") and Commission Policy 3-36 exempting the Issuer from the requirements of Sections 76 and 78 of the Act;

AND UPON the Commission, pursuant to Section 6 of the Act, having assigned to me the power to make such an order where a reporting issuer satisfies me that it is dormant or inactive in the sense used in Commission Policy 3-36;

AND UPON being satisfied that in the circumstances of this particular case there is adequate justification for so doing;

IT IS ORDERED pursuant to Section 79(b)(iii) of the Act that the Issuer be and hereby is exempted from filing with the Commission and sending to holders of its securities interim financial statements;

AND IT IS FURTHER ORDERED that these exemptions shall terminate thirty days after the occurrence of a material change in the Issuer's affairs unless the Issuer satisfies the Commission that such exemptions should continue.

27th October, 1981.

"John F. Leybourne"

IN THE MATTER OF WESTERN URANIUM EXPLORATIONS INC.

UPON the application, received in completed form on October 20, 1981, of Western Uranium Explorations Inc. (the "Issuer"), a Company incorporated under the laws of Ontario, to the Ontario Securities Commission (the "Commission") for an order pursuant to Section 79(b)(iii) of the Securities Act, R.S.O. 1980, c.466, (the "Act") and Commission Policy 3-36 exempting the Issuer from the requirements of Sections 76 and 78 of the Act;

AND UPON the Commission, pursuant to Section 6 of the Act, having assigned to me the power to make such an order where a reporting issuer satisfies me that it is dormant or inactive in the sense used in Commission Policy 3-36;

AND UPON being satisfied that in the circumstances of this particular case there is adequate justification for so doing;

IT IS ORDERED pursuant to Section 79(b)(iii) of the Act that the Issuer be and hereby is exempted from filing with the Commission and sending to holders of its securities interim financial statements;

AND IT IS FURTHER ORDERED that these exemptions shall terminate thirty days after the occurrence of a material change in the Issuer's affairs unless the Issuer satisfies the Commission that such exemptions should continue.

27th October, 1981.

"J. F. Leybourne"

IN THE MATTER OF PATSON INVESTMENTS LIMITED

AND

IN THE MATTER OF DELHI INTERNATIONAL OIL CORPORATION

ORDER
(Section 99(e))

UPON the application, initially received October 16, 1981 and perfected October 28, 1981, of Patson Investments Limited, an indirect wholly-owned subsidiary of CSR Limited, (the "Applicant") to the Ontario Securities Commission (the "Commission") pursuant to section 99(e) of the Securities Act, R.S.O. 1980, c.466 (the "Act") for an order exempting it from the requirements of Part XIX of the Act;

AND UPON it appearing that:

1. The Applicant is a corporation incorporated under the laws of the State of Delaware;
2. Delhi International Oil Corporation ("Delhi") is also a corporation incorporated under the laws of the State of Delaware;
3. Neither the Applicant nor Delhi is a reporting issuer for the purposes of the Act;
4. The Applicant intends to make an offer (the "Offer") to purchase for cash any and all outstanding shares of common stock (the "Shares") of Delhi in full compliance with the federal securities laws of the United States of America; and
5. There are resident in Ontario 42 holders of Shares of Delhi holding 30,422 (0.4%) of the 7,578,586 Shares outstanding.

AND UPON the Commission being of the opinion that to do so would not be prejudicial to the public interest;

IT IS ORDERED pursuant to section 99(e) of the Act that the Applicant be and hereby is exempted from the requirements of Part XIX of the Act with respect to the

Offer provided that all material sent to security holders of Delhi resident in the United States of America in connection with the Offer shall be filed with the Commission and sent to security holders of Delhi resident in Ontario.

28th October, 1981.

"Henry J. Knowles"

"Harry S. Bray"

IN THE MATTER OF THE FEATURE LENGTH MOTION PICTURE
ENTITLED "MIDDLE AGE CRAZY"

UPON the application of Tormont Film Productions Inc. (the "Issuer") to the Ontario Securities Commission (the "Commission") pursuant to sections 79(b)(iii) and 87(2)(b) of the Securities Act, R.S.O. 1980, c.466 (the "Act") in respect of the feature length motion picture film entitled "Middle Age Crazy" (the "Film");

AND UPON it appearing to the Commission that:

The Issuer is a wholly-owned subsidiary of Caroness Film Productions Inc. ("Caroness"), the principals of which are Robert Cooper and Ronald I. Cohen (the "Principals");

The Issuer was incorporated for the sole purpose of producing the Film and, on closing has conveyed certain property in and rights to the Film to purchasers (the "Unitholders") of units of undivided co-ownership interest (the "Units") in the Film, all as described in a draft Unitholders' Agreement by and among the Unitholders (the "Unitholders' Agreement") annexed to a prospectus dated June 19, 1979 (the "Prospectus"), certified by the Issuer, filed with the Commission and pertaining to the distribution of the Units;

It is appropriate in the circumstances that the Issuer be responsible for compliance with the requirements of Parts XVII and XVIII of the Act in respect of the affairs of the unincorporated association comprised of the Unitholders (the "Association");

AND UPON the Commission being advised that the Issuer, Caroness and each of the Principals are aware of the importance of compliance by the Issuer with the requirements of this order applicable to the Issuer;

AND UPON the Commission being of the opinion that to make this order would not be prejudicial to the public interest and being satisfied that in the circumstances of this particular case there is adequate justification for so doing;

NOW THEREFORE IT IS ORDERED pursuant to Sections 79(b)(iii) and 87(2)(b) of the Act that the Issuer be and hereby is exempted from compliance with the requirements of Parts XVII and XVIII of the Act with respect to its own affairs, subject to the terms and conditions that:

1. The Issuer, Caroness and each of the Principals shall have filed with the Commission a written undertaking, satisfactory in form and content to the Director, in the case of the Issuer to comply with the requirements of Parts XVII and XVIII of the Act in respect of the affairs of the Association as modified by paragraph 3 of this order, and in the case of Caroness and each of the Principals, to cause the Issuer to so comply;
2. Except as expressly provided herein, the Issuer shall comply with or cause to be complied with the requirements of Parts XVII and XVIII of the Act in respect of the affairs of the Association;
3. Notwithstanding paragraph 1 of this order, the Issuer shall not be required to comply with or cause to be complied with the requirements of Sections 76(1) and 78 of the Act to file with the Commission and send to Unitholders interim financial statements of the Association, as of the date of this Order, provided that:
 - a) by a vote of the Unitholders taken at the meeting of Unitholders to be held annually a majority of votes cast shall approve this exemption and the results of such votes, in any case, shall be reported in writing to the Commission within three days of the taking thereof;
 - b) The Issuer shall cause to be filed with the Commission and sent to all Unitholders:
 - i) semi-annual interim financial statements of the Association, prepared in accordance with Section 76(1) of the Act; and
 - ii) interim financial statements of the Association for any fiscal quarter in which a material change occurs in the

affairs of the Association, prepared in accordance with Section 76(1) of the Act, but such statements need not be comparative; and

c) this exemption shall terminate upon the occurrence of a material change in the affairs of the Association unless the Commission is satisfied that the exemption should continue;

4. The Issuer shall have caused an audited Statement of Total Costs of Production of the Film and a copy of the certificate for the Film as a certified feature production by the Secretary of State for Canada to be filed with the Commission and sent to all Unitholders;
5. The Issuer, on or before March 31 of each year, shall cause to be sent to each Unitholder sufficient information for inclusion in the income tax return of such Unitholder the proper income and deductions attributable to the investment of such Unitholder in the Film, including in every such year an explanation of the relevance of the information for income tax purposes;
6. The financial statements of the Association required to be filed with the Commission and sent to Unitholders pursuant to this order shall be approved by the board of directors of the Issuer and the approval shall be evidenced by the manual or facsimile signatures of two directors of the Issuer duly authorized to signify the approval;
7. For the purposes of compliance by the Issuer with the terms of this order, a reference in Parts XVII and XVIII of the Act or the regulations to the Act pertaining thereto to an officer, director or management of the reporting issuer shall be deemed to be a reference to an officer, director or management of the Issuer, as the context may require;
8. For the purposes of Sections 75 and 131 of the Act, those persons or companies in a special relationship with the Issuer or Caroness shall be deemed to be persons or companies in a special relationship with the Association; and

9. The exemption from the requirements of Parts XVII and XVIII of the Act granted to the Issuer with respect to its own affairs by this order shall terminate forthwith if the Issuer shall become a reporting issuer within the meaning of Section 1(1)(38) of the Act in connection with an issue of its own securities.

14th August, 1981.

"Henry J. Knowles"

"Harry S. Bray"

IN THE MATTER OF THE FEATURE LENGTH MOTION PICTURE
ENTITLED "RUNNING"

UPON the application of Bobron Film Productions Inc. (the "Issuer") to the Ontario Securities Commission (the "Commission") pursuant to sections 79(b)(iii) and 87(2)(b) of the Securities Act, R.S.O. 1980, c.466 (the "Act") in respect of the feature length motion picture film entitled "Running" (the "Film");

AND UPON it appearing to the Commission that:

The Issuer is a wholly-owned subsidiary of Caroness Film Productions Inc. ("Caroness"), the principals of which are Robert M. Cooper and Ronald I. Cohen (the "Principals");

The issuer was incorporated for the sole purpose of producing the Film and, on closing has conveyed certain property in and rights to the Film to purchasers (the "Unitholders") of units of undivided co-ownership interest (the "Units") in the Film, all as described in a draft Unitholders' Agreement by and among the Unitholders (the "Unitholders' Agreement") annexed to a prospectus dated November 29, 1978 (the "Prospectus"), certified by the Issuer, filed with the Commission pertaining to the distribution of the Units;

It is appropriate in the circumstances that the Issuer be responsible for compliance with the requirements of Parts XVII and XVIII of the Act in respect of the affairs of the unincorporated association comprised of the Unitholders (the "Association");

AND UPON the Commission being advised that each of the issuer, Caroness and the Principals are aware of the importance of compliance by the Issuer with the requirements of this order applicable to the Issuer;

AND UPON the Commission being of the opinion that to make this order would not be prejudicial to the public interest and being satisfied that in the circumstances of this particular case there is adequate justification for so doing;

NOW THEREFORE IT IS ORDERED pursuant to Sections 79(b)(iii) and 87(2)(b) of the Act that the Issuer be and hereby is exempted from compliance with the requirements of Parts XVII and XVIII of the Act with respect to its own affairs, subject to the terms and conditions that:

1. The Issuer, Caroness and the Principals shall have filed with the Commission a written undertaking, satisfactory in form and content to the Director, in the case of the Issuer to comply with the requirements of Parts XVII and XVIII of the Act in respect of the affairs of the Association as modified by paragraph 3 of this order, and in the case of each of the Principals, to cause the Issuer to so comply;

2. Except as expressly provided herein, the Issuer shall comply with or cause to be complied with the requirements of Parts XVII and XVIII of the Act in respect of the affairs of the Association;

3. Notwithstanding paragraph 1 of this order, the Issuer shall not be required to comply with or cause to be complied with the requirements of Sections 76(1) and 78 of the Act to file with the Commission and send to Unitholders interim financial statements of the Association, as of the date of this Order, provided that:

a) by a vote of the Unitholders taken at a meeting of Unitholders, to be held annually, a majority of votes cast shall approve this exemption and the results of such votes, in any case, shall be reported in writing to the Commission within three days of the taking thereof;

b) the Issuer shall cause to be filed with the Commission and sent to all Unitholders:

i) semi-annual interim financial statements of the Association, prepared in accordance with Section 76(1) of the Act; and

- ii) interim financial statements of the Association for any fiscal quarter in which a material change occurs in the affairs of the Association, prepared in accordance with Section 76(1) of the Act, but such statements need not be comparative; and
 - c) this exemption shall terminate upon the occurrence of a material change in the affairs of the Association unless the Commission is satisfied that the exemption should continue;
- 4. The Issuer shall have caused an audited Statement of Total Costs of Production of the Film and a copy of the certificate for the Film as a certified feature production by the Secretary of State for Canada to be filed with the Commission and sent to all Unitholders;
 - 5. The Issuer on or before March 31 of each year, shall cause to be sent to each Unitholder sufficient information for inclusion in the income tax return of such Unitholder the proper income and deductions attributable to the investment of such Unitholder in the Film, including in every such year an explanation of the relevance of the information for income tax purposes;
 - 6. The financial statements of the Association required to be filed with the Commission and sent to all Unitholders pursuant to this Order shall be approved by the board of directors of the Issuer and the approval shall be evidenced by the manual or facsimile signatures of two directors of the Issuer duly authorized to signify the approval;
 - 7. For the purposes of compliance by the issuer with the terms of this order, a reference in Parts XVII and XVIII of the Act or the regulations to the Act pertaining thereto to an officer, director or management of the reporting issuer shall be deemed to be a reference to an officer, director or management of the Issuer, as the context may require;

8. For the purposes of Sections 75 and 131 of the Act, those persons or companies in a special relationship with the Issuer or Caroness shall be deemed to be persons or companies in a special relationship with the Association; and
9. The exemption from the requirements of Parts XVII and XVIII of the Act granted to BSM with respect to its own affairs by this order shall terminate forthwith if the Issuer shall become a reporting issuer within the meaning of Section 1(1)(38) of the Act in connection with an issue of its own securities.

14th August, 1981.

"Henry J. Knowles"

"Harry S. Bray"

IN THE MATTER OF OAKWOOD PETROLEUMS LTD.

UPON the application, received in completed form on September 24, 1981, of Oakwood Petroleum Limited (the "Issuer"), a Company incorporated under the laws of Canada, to the Ontario Securities Commission (the "Commission") pursuant to Section 117(2)(a)(ii) of the Securities Act, R.S.O. 1980, c. 466, (the "Act");

AND UPON the Commission, pursuant to Section 6 of the Act, having assigned to me the power to make such an Order;

AND UPON being satisfied in the circumstances of this particular case that there is adequate justification for so doing;

IT IS ORDERED pursuant to Section 117(2)(a)(ii) of the Act that the insiders of the Issuer be and hereby are exempted from the reporting requirements of Section 102 of the Act with respect to the acquisition of securities of the Issuer through Employee Benefit Plan (the "Plan") provided that:

1. Each insider shall file by February 10 of each year a report in the form prescribed by Section 102 of the Act disclosing therein any increase not previously reported in the holdings of such insider of securities through the Plan during the twelve month period ending December 31st preceding such date; and

2. If any insider should dispose of securities acquired through the Plan prior to reporting the acquisition thereof, such insider shall file a report in accordance with Section 102 of the Act disclosing therein both the acquisition and disposition of such securities.

29th October, 1981.

"J. F. Leybourne"

IN THE MATTER OF NORTHERN TELECOM LIMITED

UPON the application of Northern Telecom Limited ("Northern") to the Ontario Securities Commission (the "Commission"), received and perfected on August 31, 1981, for an order pursuant to sections 73(1), 99(e) and 117(2)(a)(ii) of the Securities Act, R.S.O. 1980, c.466 (the "Act");

AND UPON having heard the submissions of counsel for Northern, Sun Life Assurance Company of Canada ("Sun Life") and the Commission staff;

AND UPON having been advised that:

1. Northern is a corporation incorporated under the laws of Canada;
2. Northern proposes to implement the Northern Telecom Investment Plan for Employees - Canada (the "Investment Plan"), offering to employees of Northern and certain of its subsidiaries the opportunity to participate in one or more of the three investment funds to be owned and administered by Sun Life, such funds being the Northern Telecom Limited Common Stock Fund (the "Stock Fund"), the Three Month Guaranteed Fund and the Five Year Guaranteed Fund (collectively, the "Guaranteed Funds");
3. The Stock Fund will be a segregated fund, the assets of which will consist exclusively of common shares of Northern purchased by Sun Life from the treasury of Northern;
4. The Guaranteed Funds will be part of the general funds of Sun Life and will constitute a debt obligation of Sun Life;
5. Sun Life
 - (a) proposes to issue group annuity contracts to Northern evidencing the entitlement of each participant in the Investment Plan;
 - (b) is empowered by its governing statutes to issue such annuity contracts and to maintain in respect thereof the segregated fund referred to in paragraph 3 above; and
 - (c) is licensed pursuant to the Insurance

Act of Ontario to issue such annuity contracts; and

6. Upon withdrawal from the Investment Plan, death or termination of employment, participation in the Investment Plan shall cease and the participant or former participant in the Investment Plan (the "participant") will be entitled to receive the value of his holdings in cash or through an annuity contract, provided that a participant holding units of the Stock Fund may elect to receive the number of common shares of Northern equivalent to the value of his units;

AND UPON having been advised in writing by the following agencies that they have no objection in principle to implementation of the Investment Plan:

- (a) Office of the Superintendent of Insurance, Ministry of Consumer and Commercial Relations (Ontario);
- (b) Department of Insurance (Canada);
- (c) Office of Inspector General of Banks, Department of Finance (Canada); and
- (d) The Investment Funds Institute of Canada.

AND UPON having formed the opinion that the making of this order would not be prejudicial to the public interest;

IT IS ORDERED:

1. Pursuant to section 73(1) of the Act, that the following intended trades in relation to the Investment Plan are not subject to section 24 or 52 of the Act:
 - (a) the issue by Sun Life of units of the Stock Fund to participants;
 - (b) the transfer by Sun Life of common shares of Northern to participants upon their surrender of units of the Stock Fund provided that Northern has reported to the Commission the issue of such

shares to Sun Life in accordance with section 71(3) of the Act, noting on such report that such shares were issued in connection with the Investment Plan;

2. Pursuant to section 99(e) of the Act, that Sun Life be exempted from Part XIX of the Act as it relates to issuer bids with respect to the surrender to Sun Life of units of the Stock Fund by participants; and
3. Pursuant to section 117(2)(a)(ii) of the Act, that each insider of Northern that is a unitholder of the Stock Fund ("participating insider") be exempted from the reporting requirements of section 102 and 104 of the Act with respect to the acquisition and surrender of units of the Stock Fund provided that:
 - (a) Within sixty days of December 31 of each year, such participating insider shall file with the Commission an insider trading report disclosing therein his indirect beneficial ownership as of December 31 of Northern common shares deemed to be credited to his account as a result of vested contributions to the Investment Plan; and
 - (b) Where such participating insider obtains common shares of Northern upon the surrender to Sun Life of units of the Stock Fund, he shall file with the Commission within the time otherwise prescribed by Part XX of the Act an insider trading report disclosing such transaction.

15th October, 1981

"Henry J. Knowles"
"Stuart Thom"

"E.S. Miles"

IN THE MATTER OF CANADA PERMANENT MORTGAGE
CORPORATION

UPON Canada Permanent Mortgage Corporation ("Canada Permanent") having made an application to the Ontario Securities Commission (the "Commission") under clause (b) of subsection 2 of section 87 of The Securities Act, 1978, S.O. 1978, c.47 as amended (the "Act");

AND UPON the Commission having taken notice of the existence of a strike by certain employees of the Canada Post Office, and the resulting disruption or cessation of mail service in Canada;

AND UPON it appearing that the management of Canada Permanent wishes to call a meeting of its shareholders, and that in connection with such meeting must send by prepaid mail, to its shareholders entitled to vote at such meeting, a form of proxy and information circular pursuant to sections 84 and 85 of the Act;

AND UPON it appearing that the management of Canada Permanent proposes to communicate with shareholders of Canada Permanent by way of press releases, advertisement, delivery of documents to the offices of Canada Permanent, and such other means as may appear to Canada Permanent to be useful in communicating information as to the shareholders' meeting to holders of Canada Permanent shares entitled to vote thereat;

AND UPON the Commission being of the opinion that in the circumstances of this particular case there is adequate justification for so doing;

IT IS HEREBY ORDERED, that:

(A) the management of Canada Permanent be and hereby is exempted from those provisions of Part XVIII of the Act which require that it shall send by prepaid mail a form of proxy and information circular to shareholders of Canada Permanent on the condition that:

(i) Canada Permanent shall cause an advertisement containing,

(a) a summary of the information required by the Act and the Regulation thereto to be contained in the information circular;

- (b) a statement that further information is contained in the information circular, a copy of which may be obtained from the persons described in clauses (A)(iii) through (vi) of this Order, to be published in a newspaper of daily circulation in each of the cities of Toronto, Winnipeg, Calgary, Edmonton and Vancouver and a newspaper printed in the French language and a newspaper printed in the English language, such two last mentioned newspapers being of daily circulation in the City of Montreal;
- (ii) Canada Permanent shall use its best efforts to contact or to cause its agents to contact as expeditiously as possible all registered holders of the Canada Permanent shares entitled to vote at the meeting;
- (iii) copies, in reasonable quantities, of the information circular and form of proxy shall be provided to all branches and offices of Canada Permanent and Canada Permanent Trust Company located in Canada, for distribution without charge to all holders of Canada Permanent shares on request;
- (iv) copies, in reasonable quantities, of the information circular and form of proxy shall be provided by Canada Permanent to each of the stock exchanges in Canada upon which the Canada Permanent shares are listed for trading for distribution without charge to holders of Canada Permanent shares on request;
- (v) copies, in reasonable quantities, of the information circular and form of proxy shall be provided by Canada Permanent to all securities commissions and similar regulatory authorities in Canada for distribution without charge to holders of Canada Permanent shares on request; and

- (vi) copies in reasonable quantities, of the information circular and form of proxy shall be distributed without charge to the recipients thereof by or on behalf of Canada Permanent through the clearing systems of The Canadian Depository for Securities Limited and the Vancouver Stock Exchange Clearing Corporation to all members of the Investment Dealers' Association of Canada and the stock exchanges in Canada upon which the Canada Permanent shares are listed for trading; and
- (B) Canada Permanent shall consult with the Director within 12 hours after the announcement of any termination of the present mail strike so that the Commission may determine whether it wishes Canada Permanent then to mail the form of proxy and information circular to the holders of Canada Permanent shares if it has not by then done so.

3rd July, 1981.

"Henry J. Knowles"

"R.T. Morgan"

IN THE MATTER OF THE SECURITIES ACT,
R.S.O. 1980, CHAPTER 466

AND

IN THE MATTER OF NATIONAL BANK OF CANADA

ORDER
(Section 140)

UPON the application received September 21, 1981 and perfected on September 24, 1981, of National Bank of Canada (the "Bank") to the Ontario Securities Commission (the "Commission") for an order pursuant to section 140 of the Securities Act, R.S.O. 1980, c.466 (the "Act") to vary a ruling (the "Ruling") granted by the Commission to the Bank on June 10th, 1981 pursuant to section 73 of The Securities Act, 1978, S.O. 1978, c.47 as amended;

AND UPON reading the application and recommendation of the Commission's staff;

AND UPON the Commission being of the opinion that to so order would not be prejudicial to the public interest;

IT IS ORDERED, pursuant to section 140 of the Act, that the Ruling is amended effective as of the date hereof by deleting from section 1 thereof the words "within 90 days from the date hereof" and inserting in their place the words "on or before December 15th, 1981".

29th October, 1981.

"Henry J. Knowles"

" E. S. Miles"

O.S.C. POLICY 3-57

PROSPECTUSES FOR REAL ESTATE ORIENTED SECURITIES

The Commission is of the opinion that cash flow projections are useful for investors contemplating the acquisition of securities evidencing an interest in a multiple unit residential building (a "M.U.R.B.") or a real estate syndication.

The distributors of a real estate oriented security is prohibited from providing prospective investors with any projection that does not appear in the prospectus. However, if the issuer elects to include such projections, they should contain the type of information described in Appendix A and should be supplemented by cost information as outlined in Appendix B. No specific reference to this information need be made in the auditors' report or in the auditors' comfort letter filed with the prospectus.

The issuer shall also provide a reconciliation between the actual results obtained each financial year and the projections contained in the prospectus. This annual reconciliation must be distributed with the annual audited financial statements of the project for each year covered by the projections. The reconciliation should be in detail at least equivalent to that of the projections.

The projection tables must contain bold face disclosure that the assumptions on which the projections are based are considered reasonable and realistic individually, in relation to each other and taken together. All the major assumptions, which form the basis of the projections, must be clearly stated in the prospectus. In addition, the prospectus should disclose that the assumptions form an integral part of the projection data, that actual results will probably vary from the projections and that such variations may be material.

APPENDIX A

Cash Flow Projections in MURB or Real Estate

Syndication Prospectuses

The projections should be on a year-by-year basis in tabular form, should cover a 10-year period and should indicate by way of note any material changes in projected trends expected to occur after the 10-year period. When the term of the first mortgage is less than 10 years the interest rate used for the balance of the period shall be the rate in effect on the date the projections were prepared for mortgages of an equivalent principal amount having comparable security. The projections should be based on reasonable assumptions, clearly stated in the prospectus. Ordinarily, they should relate to a single investment unit but may be supplemented by comparable figures for the entire project.

A highlighted statement substantially to the following effect should accompany the projections:

These projections have been prepared by the issuer without review by an independent accountant and are based on assumptions considered reasonable when prepared but which are inherently subject to uncertainty and variations depending on evolving events. There is absolutely no representation that these projections will be realized in whole or in part.

The following is the year-by-year format suggested, subject to appropriate variations in particular cases:

<u>Income</u>	Year 1	Year 2	Year 10
Rental				
Less Vacancies and Bad Debts				
Total Rental				
Other (provide explanation)				
Sub total				
<u>Disbursements</u>				
Property Taxes				
Insurance				
Operating Expenses ¹				
Maintenance and Repairs				
Management Fee				
Sub total				
Cash Flow before Debt Service				
<u>Debt Service</u>				
Principal ²				
Interest				
Sub total				
Cash Flow after Debt Service				
Maximum Capital Cost Allowance Available				

- (1) Note whether owners or tenants pay heat and electricity
 (2) If a Graduated Payment Mortgage - note increases each year.

APPENDIX B

Cost Information in MURB or Real Estate
Syndication Prospectuses

The following format is suggested, subject to appropriate variations in particular cases:

Land	
Asphalt	
Appliances	
Building	
Sub total	_____
Soft Costs: (Initial Services) -	
CMHC mortgage insurance	
Interest during construction	
Overhead	
Legal (leasing and mortgages)	
Cash flow guarantee fee	
Insurance and realty taxes	
CMHC second mortgage guarantee	
Landscaping	
Initial leasing	
Sub total	_____
Total Costs	
Mortgage Payable	_____
Investors Equity	-----

EXPLANATORY NOTES

Information contained in this section has been summarized from insider reports filed with the Commission.

The name of the issuer is followed by a brief description of the class of security the name of the person or company reporting and his or its relationship to the issuer. If a person has an indirect interest in the securities reported, e.g., through holding companies, affiliate companies, partnerships, trusts or other entities, this is shown. Symbols are used in the column "Transaction and Ownership Symbol" to indicate the nature of ownership i.e., direct or indirect. Similarly the character of transactions is indicated provided the transactions are other than a purchase or sale. (See guide to symbols below):

GUIDE TO SYMBOLS

RELATIONSHIP (appearing after the name reported)

- "B" - Beneficial Owner (direct or indirect) of equity shares of a reporting issuer carrying more than 10% of the voting rights attached to all equity shares of the reporting issuer outstanding.
- "D" - Director of principal reporting issuer.
- "DI" - Director of an issuer or a reporting issuer which is an insider or subsidiary of the principal reporting issuer.
- "K" - Exercises control or direction (direct or indirect) of equity shares of a reporting issuer carrying more than 10% of the voting rights attached to all equity shares of the reporting issuer.
- "S" - Senior Officer of principal reporting issuer.
- "SI" - Senior Officer of an issuer or a reporting issuer which is an insider or subsidiary of the principal reporting issuer.

NATURE OF OWNERSHIP

- No Symbol - Securities are beneficially owned directly.
- Symbol #1 - The reporting person or company beneficially owns and has control or direction over securities which are held by a company, associate, partnership, trust or other entity.

CHARACTER OF TRANSACTION

- | | | | |
|-----------|----------------------------|-----|------------------------------|
| No Symbol | - purchase or sale | "M" | - internal |
| "A" | - bequest or inheritance | "Q" | - qualifying shares |
| "C" | - compensation | "R" | - redeemed (called, Matured) |
| "E" | - exchange or conversion | "T" | - stock dividend |
| "F" | - exercise of rights, etc. | "V" | - stock split |
| "G" | - gift | "X" | - exercise of option |
| "IR" | - initial report | "Z" | - distribution |

*Returned for reconciliation purposes.

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
ALBERTA ENERGY COMPANY LTD	Common	Frank W Proto	S Sept/81	5000	1000	11000
		Share Purchase Plan	Sept/81 --	1		450
ALCAN ALUMINIUM LIMITED	Common	John H Hale	DS Sep/81	167		4954
		Eric A Trigg	DS Sep/81	191		10191
AMERADA HESS CORPORATION	Common	James F Cassidy	S I R			444
		Stock Ownership Plan	I R	1		2000
AMERICAN EXPRESS COMPANY	Common	James F Calvano	S I R			500
AMERICAN TELEPHONE AND TELEGRAPH COMPANY	Common	Charles Marshall	S I R			698
ARCTURUS SMALL BUSINESS DEVELOPMENT LIMITED	Common	District Trust Company	B Oct/81	2975		
			Oct/81	94		3960
	Class A	District Trust Company	B Oct/81	3008		
			Oct/81	94		3993
ASSOCIATE INVESTORS LTD	Common "A"	Colin W Lorimer	D Sep/81	15		363
ATLANTIC RICHFIELD COMPANY	Common	Oliver G Simpson	S --			4580
		Thrift Plan	Jun 81	1	48	4399
		Paul H H Snyder	S --			5592
		Thrift Plan	Jun/81	1	242	4194
		Robert R Chambers	S --			12076
		Thrift Plan	Jun/81	1	457	6770

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
ATLANTIC RICHFIELD COMPANY (continued)	Common	Howard H Lewis Thrift Plan	-- Jun/81	1 329		2480 5908
B B C REALTY INVESTORS	Units	Kenneth T Stevenson	S Sept/81	2100		16300
BAKER INTERNATIONAL CORPORATION	Common	Sidney A Shuman Amended	D Jul/81 Sept/81	156 59114		122608
BONANZA OIL & GAS LTD	Common	Albert E Whitehead Private Transaction	D Sept/81		550038	---
BOREALIS EXPLORATIONS LIMITED	Common	Chana B Cox The Parmenides Group	S Sept/81	C1 573		88022
		Rodney T Cox The Parmenides Group	S Sept/81	C1 1134		136724
		The Parmenides Group B	Sept/81	C 1707		378532
C & C YACHTS LIMITED	Common	Angela Deluce	SI I R			---
		Robert J Deluce	SI I R			---
		Stanley M Deluce	SI I R			---
		William S Deluce	SI I R			---
CAMFLO MINES LIMITED	Common	Robert M Smith	DS Oct/81		1000	17200
CANADA PERMANENT MORTGAGE CORPORATION	8% Preferred Series "B"	A A MacNaughton	DDI I R			20

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CANADA PERMANENT MORTGAGE CORPORATION (continued)	8% Preferred Series	Ross J Turner	DDI I R			20
CANADA TRUSTCO MORTGAGE COMPANY	Common	John H Panabaker	D Oct/81	6		526
		John H Speake	-			3478
		Canada Trust	S Oct/81	1 6		757
CANADIAN IMPERIAL BANK OF COMMERCE	Common	Marsh A Cooper	D			
		M A Cooper Holdings Inc	Oct/81	1 1000		3913
CANADIAN MARCONI COMPANY	Common	John H Simons	S Sept/81	400		600
CARMA LTD	Class "A"	David E Jenkins	S I R			1000
	8% Preferred Class "A"		I R			17350
CLARION PETROLEUMS LTD	Common	William W Siebens	D I R			---
COLLECTIVE MUTUAL FUND LTD	Special	Donald Cormie	DI DISI Sept/81	133		1048
		Indirect Holding	--	1		112212
CONSOLIDATED RAMBLER MINES LIMITED	Common	D A Macfarlane	D Oct/81	1000		1000
CONSOLIDATED-BATHURST INC	Common B	William Turner Jr	DS Sept/81	3900		263209
		Wimtone Inc	Tl Sept/81	80		5369
		Wimtwo Inc	1 Sept/81	1000		101797
			Tl Sept/81	1508		
CONTROL DATA CORPORATION	Common	Lawrence E Walkley	D Sep/81	100		200
		Eugene L Baker	S Sept/81	4129		8258

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
CONTROL DATA CORPORATION (continued)	Common	Walter H Bruning	Jan/81 X Sept/81 V	150 5650		11300
		William Fitzgerald Daughter	Sept/81 V Sept/81 V1	800 25		1600 50
		Joseph Minutilli	Sept/81 V	8246		16492
		W J Schmitt	Sept/81 V	2500		5000
		Henry J White	Sept/81 V	8000		16000
		James C Worthy	Sept/81 V	1000		2000
		Gerald D Sutton	I R			900
		Lawrence H Payne	Sep/81	47000		52000
		Donald C Deacon Amended	Sept/81	50000		87400
		Thomas A Patterson Amended	Sept/81 Sept/81 1		6000	286400 59000
CRACKINGSTONE MINES LTD	Common	William M Thompson	Sep/81	2500		17500
CRESTBROOK FOREST INDUSTRIES LTD	Common	Montreal Trust Company				
		Candou Industries Ltd	Oct/81 1	200		513020
DALCO PETROLEUM LTD	Common	Wayne R Sharp Amended Indirect Holdings	DS -- Sept/81 1			
					1000	2300 89500

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
DAON DEVELOPMENT CORPORATION	Common	Edgar F Kaiser Jr	D Sept/81	12000		123500
	Debentures	Richard F Leland RRSP	S I R			1000
		RRSP	I R	1		200
			I R	1		\$3000
	Common	Blaine Usenik	S I R			6300
DEJOUR MINES LIMITED	Common	John L Easson Easson & Company Limited	D -			11000
			Oct/81	1	10000	20000
DOFASCO INC	Common "B" Convertible	William J B Stewart	S Jan/81	173		
			Apr/81	179		
			Jul/81	155		
			Oct/81	165		12307
DOME CANADA LIMITED	Common	Marshall A Crowe	DI Sept/81		500	3000
DOMINION STORES LIMITED	Common	The Ravelston Corporation Limited Argus Limited	B Sept/81	E 4307280		4307280
DOMTAR INC	Common	Jean-Claude Lebel	D I R			---
DRUG TRADING COMPANY LIMITED	Common	John D Adam Jack Adam Drugs Ltd	DS Oct/81	1	5	85
		John Sinclair Sinclair Pharmacy (1980) Limited	D Oct/81	1	50	200
		Sincorhol Inc Limited	Oct/81	1	50	200
DRUMMOND PETROLEUM LTD	Common	Samuel W Ingram	DS I R			12500

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
DRUMMOND PETROLEUM LTD (continued)	Common	Edwrd H LaBorde LaBorde Petroleum Limited	DS I R			53450
			I R			6700
		Wife	I R			5000
		Daughter	I R			1000
		Daughter	I R			1000
ELKS INC	Common	Paul Penna	S Sept/81 F	10000		20000
FEDERAL INDUSTRIES LTD	Common "A"	Thomas H King	DISI I R			20000
G M RESOURCES LIMITED	Common	James D Raymond Amended	SI Sept/81	2400		51400
GASLITE PETROLEUM LTD	Common	Owen Niedema	D I R			12125
GENENERGY RESOURCES LTD	Class A	Genenergy Resources Ltd	I R			5600
GENERAL AMERICAN OIL COMPANY OF TEXAS	Common	William P Barnes	DS Sept/81 T	264		9097
		Joseph M Haas	D Sept/81 T	724		24887
		Stock Bonus Plan	-- T1	249		8560
		Evelyn M Acton	DI Sept/81 A Oct/81 T Oct/81	200 341		11719
		Eudine M Cheney	DI Oct/81 T	362	18	12295
GENSTAR CORPORATION	Series SP Pref	J Ernest Hartz Jr	S Sept/81	1500		1500
		Nicholas Liberatore	S Sept/81	4500		4500

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
GENSTAR CORPORATION (continued)	Common	Hugh W McAdams	S Sept/81	1000		9257
	Series SP Pref	Walter S Bannister	S Oct/81	5500		5500
GEOCRUDE ENERGY INC	Common	Duncan J Jessiman RRSP	-- Sept/81	1000		38542 11000
		Progressive Development (1978) Ltd	-- 1			28292
GOLDLUND MINES LTD	Common	Dr. J K McCullough	D Sept/81	23000		187500
GREAT LAKES FOREST PRODUCTS LIMITED	Common	Robert S DeMone	SI Sept/81	100		100
HUSKY OIL LTD	Common	John G McKenzie	SI Sept/81	200		200
INTERNATIONAL BUSINESS MACHINES CORP	Common	Irving S Shapiro Wife	Oct/81 --	500		3200 1300
K S F CHEMICAL PROCESSES	Common	Robert A Scoon	DS I R			69040
KELLY DOUGLAS & COMPANY LIMITED	Class A	Loblaw Companies Limited Amended Kelmac Investments Ltd Edward Douglas Investments Company Limited	B Sept/81	1 7750		526748
LENORA EXPLORATIONS LTD	Common	Howard S Dolson	DS I R			3756855 5000
		Leonard A Bednarz	D Sept/81		4000	11000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
LONMED HOLDINGS LIMITED	Class A Special	District Trust Company	B Oct/81	73		838
	Common		Oct/81	73		845
LUMONICS INC	Common	MacLaren Power & Paper Company	B Sept/81	5000		717200
			Sept/81 1	37000		81300
M P G INVESTMENT CORPORATION LIMITED	Common	Donald C Cameron	D Oct/81	2000		4000
		Reginald Docking	S Oct/81	300		600
		Ian S S Ferris	D Oct/81	1005		2010
		Conrad F Harrington	D Oct/81	100		200
		John D H Mackenzie RRSP	Oct/81 T1	2200		4400
		Arthur M Minnion	D Oct/81	5		10
		Roger J Shirley	D Oct/81	300		600
M W RESOURCES LTD	Common	Roy D Spooner	D Oct/81	5		10
		Dennis Fairbairn	DS Sept/81	50000		108000
MACMILLAN BLOEDEL LIMITED	Common	E Kendall Cork	DSI I R			500
		Sentinel Associates Limited	I R 1			500
MAGNASONIC CANADA INC	Common	Morton A Cohen*	D Jun/81	2800		3200
		Mac Management Associates Limited	-- 1			700

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
MAJESTIC WILEY CONTRACTORS LIMITED	Common	James G Nash	S I R			5333
		Joseph Kolbl	S Aug/81 X	2140		4280
		Richard Elenko	S Aug/81	500		500
MANNVILLE OIL & GAS LTD	Common					
		District Trust Company	B Oct/81 Oct/81	365 73		4190 845
MEDLON SMALL BUSINESS DEVELOPMENT LIMITED	Common					
		Class A				
MERCANTILE BANK OF CANADA THE	Common	Michel Perron	D Oct/81	1000		12400
		Bernard J Goyette	Oct/81	3000		7466
MISTANGO CONSOLIDATED RESOURCES LIMITED (FORMERLY MISTANGO RIVER MINES LTD)	Common					
		North American Rare Metals Limited	B Oct/81 V Oct/81 V	162000	810000	162000
		Fred Munger	S I R			1
MITEL CORPORATION	Common	Donald W Smith	S I R			817
		Stock Purchase Plan	I R	1		283
		Duncan A Campbell RRSP	S Sept/81 --	546 1		16520 1880
MOFFAT COMMUNICATIONS LIMITED	Common	James S Purvis	S I R			3950
		Stock Purchase Plan	Sep/81	1 4000		4000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
MOFFAT COMMUNICATIONS LIMITED		Alden E Diehl Stock Purchase	--- Sept/81	1 4000		500 4000
		Vernon L Traill Stock Purchase Plan	--- Sept/81	1 4000		750 4000
	Class A	Philip E Barron RRSP	Oct/81 Oct/81	400 15 50		1415 1125
	Class A Class B	James K Reid	I R I R			14 150
MSZ RESOURCES LTD	Common	David F Pols D P Professional Services Ltd	I R	1		20000
MUTEC EQUITIES LTD	Common	Frederick A Litwin DSB Forum Financial Corporation	I R	1		462672
		Morton Litwin	I R			---
		Henry Schnurbach	I R			---
		Marilyn E McFadyen	I R			---
		M H Eibbitt	DS I R			1

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
NATIONAL BANK OF CANADA	Common	Guy Tremblay	S Jun/81 Jul/81	100 60		207
NATIONAL HEES ENTERPRISES LIMITED	Common	Manfred J Walt	S Sep/81	1800		17400
NATIONAL TRUST COMPANY, LIMITED	Common	Robert G Darling RRSP	S Oct/81	1		125
NEOMAR RESOURCES LIMITED	Common	Robert D Sherman	S Sep/81	1000		4500
NORMICK PERRON INC	Common	John E Brookes Royott & Co	D Oct/81 Oct/81		275 2930	725 7770
NORTHERN CANADA MINES LIMITED	Common	D A Macfarlane	D Oct/81	3000		3000
NOVA, AN ALBERTA CORPORATION	Common	William C Rankin	S Sep/81		1200	159300
NOVA CO EXPLORATION LIMITED	Common	Dr John Cowell	S I R			---
	Common	John L Easson Easson & Company Limited	D - Oct/81			4333 47440
NU-WEST GROUP LIMITED	Class "A" Convertible	Daryl E Birnie Trustee	SI Jul/81	1		2844
		Edward L Molnar Trustee	DISI Sep/81	1		3619
	Class "A"	Ralph T Scurfield Amended RRSP	- Jul/81 Aug/81 Sep/81	1 1 1		4541260 137600 23800 14700
		Other Indirect	-	1		210983 800092

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
NU-WEST GROUP LIMITED (Continued)	Class "C"	Ralph T Scurfield	Jul/81	10000		
			Sep/81	21300		258362
		RRSP	Jul/81	137600		
			Aug/81	23800		
			Sep/81	14700		201334
		Other Indirect	-	1		40003
		John C Hall	I R			---
		Harold R Allsopp	-			8100
		Employees' Profit Sharing Plan	Sep/81	132		3618
		A Barry Beaven	-			40
		Trustee	Sep/81	133		3628
		Profit Sharing Plan	-	1		4000
		Trustee	Sep/81	1	300	246
OPI LTD	Class "A" Convertible	Ernest A Chilack	Sep/81		400	1600
		Trustee	Sep/81	129		3085
		Profit Sharing Plan	-	1		3400
PE BEN OILFIELD SERVICES LTD	Common	Jimmy D Inge	Sep/81	200		400
		Wife	-	1		200
		Warren J A Mitchell Associates	Sep/81	1100		225800

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
PETROINC RESOURCES LTD	Common	Thomas J Bitove Custodian	I R 1			504300
PHILLIPS PETROLEUM COMPANY	Common	J Bryan Whitworth Trustee for Daughter	I R 1			15
POP SHOPPES INTERNATIONAL INC	Common	Douglas W Robb	S Sep/81 Sep/81	1200	200	1000
		Collin M Craig	D I R			1000
PRECAMBRIAN SHIELD RESOURCES LIMITED	Common	Walter E Clarke Wife	- Sep/81 1	1000		54200 38300
PROVIGO INC	Common	Empire Company Limited	B Sep/81		40000	---
QUEBEC TELEPHONE	Common	Simon Soucy	S Oct/81	6		2129
		Herve Belzile	D Oct/81	9		351
		Chislain Bouchard	S Oct/81	9		333
RANCHMEN'S RESOURCES (1976) LTD		Jacques Canaple	D I R			---
		Jacques Le Chevalier	D I R			---
REALM RESOURCES INC	Common	Neil McKay	DSB Oct/81		75000	1
ROCKWELL INTERNATIONAL CORPORATION		William C Bousquette	S I R			---
RUPERTSLAND RESOURCES CO LTD	Common	Theodore S Lynn	D Aug/81	1000		1000
		Donald D Williams	S I R			2000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
SCINTILORE EXPLORATIONS LIMITED	Common	Newlore Investments Ltd	B Oct/81		500	38700
SCOTT PAPER LIMITED	Common	George L O'Leary	DS Oct/81 Oct/81	5500	1000	5755 4755
SCOTTS HOSPITALITY INC	Common	Paul D Phelan	DISI I R			100
SEAWARD RESOURCES LTD	Common	David E Graham	S Aug/81	2000		2000
SHELL OIL COMPANY	Common	William B Renner	D Sep/81	5		468
SOUTHAM INC	Common	St Clair Balfour Berriedal Limited	S Sep/81	1	2068	184357
STEINBERG INC		Gilles Binet	S I R			---
		David M Martz	S I R			---
		Normand Duchemin	S I R			---
		Pierre Levesque	S I R			---
SYSTEMHOUSE LTD	Common "A"	Victor B Allen	S I R			1000
T G BRIGHT & CO LIMITED	Common "A"	Meredith F Jones	D Oct/81		1000	3000
TANGLEWOOD PETROLEUM CORPORATION	Common	Bert Friedman Bert Friedman Enterprises Limited	DB I R			1
	Preferred		I R I R	1 1		125000 125000

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
TENNECO INC	Common	Benjamin E Biaggini ADRS Plan	- Sep/81	1	22	1000 273
		Joseph J Sisco ADRS Plan	- Sep/81	1	54	1350 172
		Brian A Skinner	Sep/81	14000		192200
TIBER RESOURCES LTD	Common					
TORONTO-DOMINION BANK, THE	Common	John E Poole Crestwood Developments Ltd	- Sep/81	1	13000	6000 ---
		Compagnie Francaise Des Petroles Total American Inc	Sep/81 -	96400 1		7905016 941800
TOTAL PETROLEUM (NORTH AMERICA) LTD	Common					
VERSATILE CORPORATION	Common "A"	R M Hungerford Amended	Jun/81 Aug/81	T	324	55067
			Jun/81	T	323	75376
		William A Howard Amended	Jun/81		1000	2000
VILLACENTRES LIMITED	Junior Preferred Series 1		Jun/81	T	2000	2000
	Common		Jul/81	E	20	2020
	Junior Preferred Series 1		Jul/81	E		1000
	Common		Aug/81 Aug/81	E V	20 4080	6120

ISSUER	SECURITY	INSIDER	DATE OF TRANSACTION	BOUGHT OR ACQUIRED	SOLD OR DISPOSED	MONTH-END HOLDINGS
WESTBURNE INTERNATIONAL INDUSTRIES	Common	Joseph Rimerman	S Sep/81		2000	10000
WESTGROWTH PETROLEUMS LTD	Common	The Resource Service Group Ltd	B Oct/80	10100		1102022
	10% Preferred Convertible		Jul/80	\$1000000		\$1000000
WESTMIN RESOURCES LIMITED	Common	Cameron G Troyer	S I R			600
		Donald D Webster	S I R			664
		D Ross Fitzpatrick	DS Jun/81 Sep/81	500	1000	184987
WORLDWIDE ENERGY CORPORATION	Common	J Kenneth Boyles	D Sep/81 Sep/81 G	25	25	2666
YORK CENTRE CORPORATION	Class "A"	John L Bodie	D Oct/81	675		1117
YVANEX DEVELOPMENTS LIMITED	Common	Ronald W Cairns	D Jun/81 Aug/81	6000 3000		81000

NOTICES OF EXEMPT FINANCINGS

REPORTS OF TRADES SUBMITTED ON FORM 20 (AND ITS PREDECESSOR)
UNDER THE SECURITIES ACT 1978

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Oct. 14, 1981	Metallgesellschaft Canada Limited	ACG Mining Limited Partnership - units	\$ 100,000.00	295 units
Oct. 15, 1981		CTG, Inc. - common shares	16.00	62,500 shrs
July 24, 1981	Margaret C. Pick	DY-4 Systems Inc. - common shares (plus option for a further common at \$1.00 to be exercised on or before July 24, 1983)	1.00	1,350 "
July 24, 1981	R. Knowles	"	1.00	1,350 "
July 24, 1981	G.A. Barrie Co.Ltd.	"	1.00	10,000 "
July 24, 1981	M. Blair Hamilton	"	1.00	1,350 "
July 24, 1981	Harold R. Hamilton	"	1.00	4,050 "
July 24, 1981	Beverley E. Pick	"	1.00	4,995 "
July 24, 1981	Mr. D.M. Mullally	"	1.00	1,350 "
July 24, 1981	Beverley Ann Maslen	"	1.00	1,350 "
Oct. 16, 1981*	North American Ventures Fund	Art Benjamin Associates convertible debenture	301,000.00 \$	301,000.00
Sep. 15, 1981*	Northland Bank	Bow Valley Resource Services Ltd. - series "A" cumulative redeem- able preferred	10.00	1,000,000 shrs
Oct. 23, 1981	Achille Byck	Bizpix (1981) Inc. - units	5,000.00	10 units
Oct. 23, 1981	Harvie S.Gellman	"	5,000.00	2 "
Oct. 23, 1981	K.D. Mohan, M.D.	"	5,000.00	5 "

* Report improperly filed

Continued

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Oct. 23, 1981	Israel Strashin M.D.	Bizpix (1981) Inc. - units	\$ 5,000.00	1 unit
Oct. 23, 1981	R.W. Shaw, M.D.	"	5,000.00	2 units
Oct. 23, 1981	H.J. Kline, M.D.	"	5,000.00	1 unit
Oct. 23, 1981	A. Norman Lofchy, M.D.	"	5,000.00	1 "
Oct. 23, 1981	Mohamed Rajani, M.D.	"	5,000.00	1 "
Oct. 23, 1981	George Wortzman, M.D.	"	5,000.00	1 "
Oct. 23, 1981	T.H. Yates, M.D.	"	5,000.00	1 "
Oct. 23, 1981	Robert Chesney, M.D.	"	5,000.00	1 "
Oct. 23, 1981	R.G. Guest, M.D.	"	5,000.00	1 "
Sep. 19, 1981	Dr. Kwadwo O.Asante	Masters Green Estates Limited Partnership - units	51,500.00	2 units
Sep. 11, 1981		Hudson's Bay Co. - variable rate series "F" note due September 5, 1986	5,000,000.00	\$ 5,000,000.00
Sep. 30, 1981		Hudson's Bay Co. - variable rate series "F" note due September 30, 1986	5,000,000.00	5,000,000.00
Sep. 4, 1981*	Harry and Venna Johnson	Golden Goose Gold Mines Ltd. - common shares	1.00	5,945 shrs
Sep. 4, 1981*	Gerald Richmond	"	1.00	10,000 "
Oct. 1, 1981*	Charles Gilbert	"	1.00	5,000 "
Oct. 6, 1981*	HCI Holdings Ltd.	Mineral Resources International Ltd. - common shares	2.10	582,905 "

* Report improperly filed

Continued

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Aug. 19, 1981	Nicor Inc.	Trans-Western Exploration Inc. - common shares	\$ 2.00	122,234 shrs
Sep. 30, 1981	435713 Ontario Inc.	Seaway Trust Co. - common shares	10.85	129,629 "
Oct. 15, 1981	Hanen Investments Ltd.	Transpacific Asbestos Inc. - common shares	2.90	130,959 "
Sep. 30, 1981	Newport Petroleum Ltd.	Stanford Resources Ltd. - common shares	4.80	400,000 "
Oct. 16, 1981	Warren J.A. Mitchell	Pe Ben Oilfield Services Ltd. - common shares	1.50	33,333 "
Oct. 16, 1981	J.N. Turvey	"	1.50	33,334 "
Oct. 16, 1981	David J. Horton	"	1.50	33,334 "

CORRECTION Delete all reference to the purchase of Nuco Graphics Inc.
shares by Daniel A. Thompson published in the Bulletin
dated October 23, 1981.
The report was submitted in error.

FORM 21 (AND ITS PREDECESSOR) - RESALE OF SECURITIES

<u>Date of Resale</u>	<u>Date of Original Purchase</u>	<u>Seller</u>	<u>Security</u>	<u>Price</u>	<u>Amount</u>
Oct. 9, 1981	Aug. 27, 1980	HCI Holdings Ltd.	Trinity Resources Ltd.	\$15.50	5,200 shrs
Aug. 28, 1981	Aug. 27, 1980	"	"	17.63	16,000 "
Aug. 31, 1981	Aug. 27, 1980	"	"	18.00	2,500 "
Aug. 31, 1981	Aug. 27, 1980	"	"	17.50	1,500 "
Sep. 2, 1981	Aug. 27, 1980	"	"	17.63	1,000 "
Sep. 2, 1981	Aug. 27, 1980	"	"	17.00	8,800 "

NOTICE OF INTENTION TO DISTRIBUTE SECURITIES PURSUANT TO SUBSECTION 7 OF SECTION 71

<u>Seller</u>	<u>Security</u>	<u>Amount</u>
J.L.C. Jenner	Cincinnati Resources Inc. - common shares	750,000 shrs
Norah Jenner	"	250,000 "
Dr. Joseph A. Peller	Andres Wines Ltd. - class "A" shares	22,000 "
Wendy P. Trust	Dylex Limited - class "A" preferred	4,900 "
Lynn P. Trust	"	4,900 "
David P. Trust	"	4,900 "
Sandra P. Trust	"	7,400 "
Richard P. Trust	"	7,400 "
A.C. MacPherson & Co. Ltd.	Jarridge Explorations Inc. - common shares	844,741 "
A.C. MacPherson & Co. Ltd.	Geolex Resources Limited - common shares	243,318 "
Robert E. Budai	G & B Automated Equipment Limited - common shares	272,569 "
Crowborough Investments Ltd.	Spar Aerospace Limited - common shares	13,300 "

TAKE-OVER BIDS, ISSUER BIDS

JAMESTOWN RESOURCES INC.
(OFFEROR)

459862 ONTARIO LIMITED
(OFFEREE)

MSZ RESOURCES LTD.
(OFFEROR)

LIBERTY PETROLEUMS INC.
(OFFEREE)

NOTICE OF INTENTION - FORM 35 - UNICAN SECURITY SYSTEMS LTD.

CONTINUOUS DISCLOSURE FILINGS

MATERIAL RECEIVED PURSUANT TO THE ACT & REGULATIONS

A ANNUAL FINANCIAL STATEMENTS
B INFORMATION CIRCULAR (FORM 30) OR REPORT (FORM 28)
C INTERIM FINANCIAL STATEMENTS
D TAKE-OVER, ISSUER BIDS AND RELATED MATERIAL
E OTHER REPORTS
F REPORT OF MATERIAL CHANGE (FORM 27)

ADVOCATE MINES LIMITED
ALCAN ALUMINUM LIMITED
ALGOMA STEEL CORPORATION LIMITED, THE
AMCA INTERNATIONAL LTD.
AME LIMITED
AMERACRUDE INTERNATIONAL INC.
AMERICAN EAGLE PETROLEUMS LIMITED
ANSIL MINES LIMITED
ARCHEAN OIL LIMITED
ARJON GOLD MINES LIMITED
ASH TEMPLE LIMITED
ATLAS YELLOWKNIFE RESOURCES LIMITED
AUGMITTO EXPLORATIONS LIMITED
AURELIAN SMALL BUSINESS DEVELOPERS LTD.
B B C REALTY INVESTORS
B.C. SUGAR REFINERY LIMITED
BANK OF BRITISH COLUMBIA
BATON BROADCASTING INCORPORATED
BELL CANADA
BONANZA OIL & GAS LTD.
BOW VALLEY RESOURCE SERVICES LTD.
BRALORNE RESOURCES LIMITED
BREAD-MAN INTERNATIONAL INC.
BRITISH PETROLEUM COMPANY LIMITED
C C L INDUSTRIES INC.
C-I-L INC.
CADILLAC FAIRVIEW CORPORATION LIMITED, THE
CAMCHIB RESOURCES INC.
CAMPBELL RESOURCES INC.
CANADA CEMENT LAFARGE LTD.
CANADA DEVELOPMENT CORPORATION
CANADA PACKERS INC.
CANADA PERMANENT MORTGAGE CORPORATION
CANADA SOUTHERN PETROLEUMS LTD.
CANADA TRUSTCO MORTGAGE COMPANY, THE
CANADEX RESOURCES LIMITED
CANADIAN REALTY INVESTORS
CANADIAN UTILITIES LIMITED
CANRON INC.

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CARTIER RESOURCES INC.
 CARVERN INTERNATIONAL INDUSTRIES LTD.
 CELANESE CANADA INC.
 CERES RESOURCES LIMITED
 CHARRIOT RESOURCES LTD.
 CHEROKEE RESOURCES LIMITED
 CHIB-KAYRAND COPPER MINES LIMITED
 CHIEFTAIN DEVELOPMENT CO. LTD.
 CLAREMONT MINES LIMITED
 CLAVOS PORCUPINE MINES LIMITED
 COCHRANE-DUNLOP LIMITED
 COCKFIELD BROWN INC.
 COMINCO LTD.
 COMPUTEL SYSTEMS LTD.
 COMSTOCK KENO MINES LTD.
 CONFED DOLPHIN FUND
 CONSOLIDATED MONTCLERG MINES LIMITED
 CONSOLTEX CANADA INC.
 COOPER CANADA LIMITED
 COPCONDA-YORK RESOURCES INC.
 CORONATION RESOURCES (CANADA) INC.
 CROWN ZELLERBACH CANADA LIMITED
 CULLATON LAKE GOLD MINES LTD.
 CUNDILL VALUE FUND LTD.
 D. H. HOWDEN & CO. LIMITED
 DALCO PETROLEUM LTD.
 DALMYS (CANADA) LIMITED
 DANIEL DIVERSIFIED LIMITED
 DAON CENTRE LIMITED PARTNERSHIP
 DENISON MINES LTD.
 DOLPHIN MORTGAGE FUND
 DOME PETROLEUM LIMITED
 DOMEQUITY GROWTH & CALGARY LTD.
 DOMINION TEXTILE INC.
 DORSET RESOURCES LTD.
 DOVER INDUSTRIES LTD.
 DRG INC.
 DUNDEE-PALLISER RESOURCES INC.
 EAGLET MINES LIMITED
 ETHYL CORPORATION
 EXQUISITE FORM BRASSIERE (CANADA) LIMITED
 EXROY RESOURCES LTD.
 EXTENDICARE LTD.
 FATHOM OCEANOLOGY LIMITED
 FEDERAL INDUSTRIES LIMITED
 FIN RESOURCES INC.
 FIRES PUR EXPLORATIONS LIMITED
 FIRST CITY FINANCIAL CORPORATION LTD.
 FIRST CITY PROPERTIES INC.
 FLYING CROSS PETROLEUM CORP.
 G.M. RESOURCES LIMITED
 G.V.T. FOODS LIMITED
 GENERAL BAKERIES LIMITED
 GETTY OIL COMPANY
 GIANT YELLOWKNIFE MINES LIMITED
 GOLDALE INVESTMENTS LIMITED
 GOLDEN BOUNTY MINING COMPANY LIMITED

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GOLDEN FALCON EXPLORATIONS INC.	C
GOLDLUND MINES LIMITED	E
GOTAAS-LARSEN SHIPPING CORPORATION	E
GREAT LAKES FOREST PRODUCTS LIMITED	E
GULF CANADA LIMITED	E
H.O. FINANCIAL LIMITED	E
HARDEE FARMS INTERNATIONAL LIMITED	B C
HAYES-DANA INC.	C
HEMERDON MINING & SMELTING LIMITED	E
HIRAM WALKER RESOURCES LTD.	E
HUDSON BAY MINING AND SMELTING CO. LIMITED	E
HUDSON'S BAY OIL AND GAS COMPANY LIMITED	E
HUGHES TOOL COMPANY	E
HUMLIN RED LAKE MINES LIMITED	C
HUSKY OIL LTD.	E
I.U. INTERNATIONAL CORPORATION	E
IMPERIAL OIL LIMITED	E
IN. MARK CORPORATION LIMITED	C
INCO LIMITED	E
INDUSMIN LIMITED	C
INEXCO OIL COMPANY	E
INFINITUM GROWTH FUND INC.	C
INLAND NATURAL GAS CO. LTD.	E
INVERNESS PETROLEUM LTD.	E
IRON BAY TRUST, THE	E
JAMEX RESOURCES LIMITED	C E
JOFFRE RESOURCES LTD.	E
K. T. RESOURCES LIMITED	B
KEEPRITE INC.	E
KERR-MCGEE CORPORATION	E
KEYSTONE HIGH-GRADE COMMON STOCK FUND SERIES S-1	A
LAIDLAW TRANSPORTATION LIMITED	E
LAKE ONTARIO CEMENT LIMITED	C E
LEASE-RITE CORPORATION INC.	C
LEHNDORFF CANADIAN PROPERTIES	E F
LES TERRAINS AURIFERES MALARTIC (QUEBEC) LIMITED	B
LOBLAWS LIMITED	E
LUMONICS INC.	E
LUNEL ENTERPRISES INC.	E
LYTTON MINERALS LIMITED	F
M.T.S. INTERNATIONAL SERVICES INCORPORATED	F
MACQUEST RESOURCES LTD.	E
MAISLIN INDUSTRIES LTD.	E
MAJOR HOLDINGS & DEVELOPMENTS LIMITED	C
MATT AND JENNY	A
MERCIER EXPLORATIONS LIMITED	C
METINA DEVELOPMENTS INC.	C
METROPOLITAN STORES OF CANADA LIMITED	E
MID-EAST DEVELOPMENTS LIMITED	B
MINERAL RESOURCES INTERNATIONAL LIMITED	E
MIRADO NICKEL MINES LIMITED	C
MITEL CORPORATION	E
MOBIL CORPORATION	E
MOLSON COMPANIES LIMITED, THE	E
MONTREAL TRUST COMPANY	E
MPG INVESTMENT CORPORATION LIMITED	E
MSZ RESOURCES LTD.	B E

NEARTIC RESOURCES INC.	E
NEW BEDFORD RESOURCES & DEVELOPMENTS LIMITED	E
NEW REDWOOD GOLD MINES LIMITED	E
NEWFOUNDLAND CAPITAL CORPORATION LIMITED	E F
NORANDA MINES LIMITED	E
NORCEN ENERGY RESOURCES LIMITED	E
NORSEMAN MINES LIMITED	B C
NORTH AMERICAN COMBUSTION TECHNOLOGY CORPORATION	C
NORTHERN TELECOM LIMITED	E
NORTHGATE EXPLORATION LIMITED	E
NORTHUMBERLAND MINES LIMITED	A B
NU-WEST GROUP LIMITED	E
ONAPING RESOURCES LIMITED	E F
ONYX PETROLEUM EXPLORATION COMPANY LTD.	E
PANCANADIAN PETROLEUM LTD.	E
PANHANDLE EASTERN PIPE LINE COMPANY	E
PARAGON EXPLORATIONS LIMITED	E
PATINO, N.V.	E
PELICAN MINES LIMITED	F
PETROL OIL & GAS COMPANY LIMITED, THE	F
PINE POINT MINES LIMITED	E
POLYSAR LIMITED	E
PROCAN MORTGAGE CORPORATION	C
PRONTO EXPLORATIONS LIMITED	E F
REAL TIME DATAPRO LTD.	C
REDRUTH GOLD MINES LIMITED	C
RICKABY MINES LIMITED	C
RILEY'S DATASHARE INTERNATIONAL LTD.	A B
ROGERS CABLESYSTEMS INC.	E
ROYAL TRUST COMPANY MORTGAGE CORPORATION, THE	C
ROYAL TRUSTCO LIMITED	E
RUPERTSLAND RESOURCES CO. LTD.	E
SAVINGS AND INVESTMENT RETIREMENT FUND	C
SAVINGS AND INVESTMENT TRUST H FUND	C
SCARBORO RESOURCES LIMITED	E
SCINTREX LIMITED	E
SEAGRAM COMPANY LTD., THE	E
SEAWAY BASE METALS LIMITED	F
SHELL CANADA LIMITED	E
SILVERSIDE RESOURCES INC.	E
SILVERTON RESOURCES LTD.	E
SPRINGPOLE LAKE RESOURCES LTD.	C
STEINBERG INC.	B E
STRAND OIL & GAS LTD.	E
STUART HOUSE INTERNATIONAL LIMITED	E
SULPETRO LIMITED	B C E
SUMMIT GOLD MINES INC.	A B
SUPERIOR OIL COMPANY, THE	E
SUPERPACK CORPORATION LIMITED	C
TEXACO CANADA INC.	E
TINTINA MINES LIMITED	E
TRACKER RESOURCES INC.	C
TRANSCANADA PIPELINES LIMITED	E
TRINITY CHIBOUGAMAU MINES LIMITED	A B C
TRINITY RESOURCES LTD.	E
TRIO-ARCHEAN DEVELOPMENTS INC.	E
TURBO RESOURCES LIMITED	E

UNICORP FINANCIAL CORPORATION
 UNITED ASBESTOS INC.
 VESTGRON MINES LIMITED
 VICTORIA WOOD DEVELOPMENT CORPORATION INC.,
 WILSHIRE OIL COMPANY OF TEXAS
 WORLDWIDE ENERGY CORPORATION
 YORK MASONIC TEMPLE LIMITED
 ZAHAVY MINES LIMITED
 ZARINA EXPLORATIONS LTD.
 AMERACRUDE RESOURCES INC.
 ARIZONA SILVER CORPORATION
 BRASCADIE RESOURCES INC.
 BRENBAR MINES LIMITED
 BUNKER HILL RESOURCES INC.
 CANADA WIRE AND CABLE COMPANY LIMITED
 CANADIAN PACIFIC CONSULTING SERVICES LTD.
 DYNAMIC MINING EXPLORATION LTD.
 EDEN ROC MINERAL CORP.
 GANDALF TECHNOLOGIES INC.
 GOLD LAKE RESOURCES LTD.
 LAKE LOUISE LIFTS LIMITED
 LAWRENCE MINING CORPORATION
 LONG LAC MINERALS LTD.
 LOUISBURGH MINES LIMITED
 McDONNELL DOUGLAS CANADA
 MID-WEST ENERGY INC.
 NORTHWEST TRUST COMPANY
 PAN-ALBERTA GAS LTD.
 ROCK ORE EXPLORATION & DEVELOPMENT LTD.
 SILVERSTACK MINES LTD.
 SOUTHERN TIER GAS PRODUCERS LTD.
 TANDY CORPORATION

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NEW ISSUE AND SECONDARY FINANCING

JONES HEWARD FUND LTD.

A final receipt was issued October 23, 1981, for a prospectus dated October 21, 1981, qualifying for sale in Ontario mutual fund shares of the company at net asset value.

Distributor: Jones Heward & Company Ltd.

Manager: Jones Heward Advisory Services Ltd.

PETROMONT EXPLORATION PROGRAM NO. 4

AND
PETROMONT OIL & GAS LTD.

A final receipt was issued October 20, 1981 for a prospectus dated October 19, 1981 qualifying for sale a minimum of 600 and a maximum of 2400 units, each unit to consist of a \$4,662.50 limited partnership interest in Petromont Exploration Program No. 4, 150 common shares of Petromont Oil & Gas Ltd. ("Petromont") valued at \$2.25 per share and warrants to purchase 75 common shares of Petromont between October 23, 1982 and October 22, 1986, at a price of \$5,000 per unit. This offering will net the limited partnership between \$2,797,500 and \$11,190,000 and will net Petromont between \$202,500 and \$810,000 before deduction of the agents' commission which will be between \$210,000 and \$840,000 and the offering expenses.

This issue is not underwritten but is offered on a best efforts basis.

Agents: Burns Fry Limited
Dominion Securities Ames Limited

Promoter of Petromont Exploration
Program No. 4 - Petromont Oil & Gas Ltd.

Promoters of Petromont Oil & Gas Ltd. - Keith M. Miles
Larry V. Zadan
Elizabeth B. Titheridge
Eastal Exploration Ltd.

SILVER CENTURY EXPLORATIONS LTD.

A final receipt was issued October 26, 1981 for a prospectus dated October 20, 1981, qualifying for sale in Ontario 1,000,000 units of the company (comprising 1,000,000 common shares, without par value, and 1,000,000 share purchase warrants) at a price of \$.65 per unit, to net the company \$550,000 before expenses of issue.

Promoters: Tower Financial Corporation Limited
Armex Limited

Underwriters: Davidson Partners Limited

PRELIMINARY PROSPECTUSES WITHDRAWN

B.F. GOODRICH CANADA INC.

The preliminary prospectus dated August 13, 1981 has been withdrawn at the request of the Company.

TEJAS PETROLEUM RESOURCES LTD.

The preliminary prospectus dated September 8, 1981 filed by Tejas Petroleum Resources Ltd. has been withdrawn at the request of the Company.

PRELIMINARY PROSPECTUSES RECEIVED

October 23, 1981

Yonge-Rosedale Partnership

Offering 252 limited partnership units at a price of \$10,000 per unit.

Agent: Pagebrook Securities Inc.

October 27, 1981

Aladin Minerals Limited

Offering 200,000 common shares without par value at a price of \$1.00 per share.

Secondary Offering: 92,000 common shares without par value

Underwriter: J. Appleby Securities Limited

Bank Of Montreal

Offering \$ * , (* shares) * % cumulative redeemable second preferred shares, Series B (\$25 par value) at a price of \$ * per share.

Underwriters: Wood Gundy Limited
Dominion Securities Ames Limited
McLeod Young Weir Limited
Nesbitt Thomson Securities Limited

Gaz Metropolitain, Inc.

National Issue - Quebec

Offering \$ * (* shares) * % cumulative redeemable second preferred shares, Series B (\$25 par value) at a price of \$ * per share.

Underwriters: Levesque, Beaubien Inc.
Geoffrion, Leclerc Inc.
Nesbitt Thomson Securities Limited
Wood Gundy Limited

October 28, 1981

Century Energy Corp. Ltd.

Offering * units comprising * common shares (without par value) accompanied by * share purchase warrants at a price of \$ * per unit.

Offered through registered dealers in Ontario.

OCTOBER 1981

REGISTRATIONS

SECURITIES

SECURITIES DEALER

Qualico Securities Ltd.

Suite 500,

15 Toronto Street,

Toronto, Ontario.

M5C 2E3.

(effective October 27, 1981) New Registration

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TAKE-OVER BIDS, ISSUER BIDS

JAMESTOWN RESOURCES INC.	(OFFEROR)	9I
459862 ONTARIO LIMITED	(OFFEREE)	9I
MSZ RESOURCES LIMITED	(OFFEROR)	9I
LIBERTY PETROLEUMS INC.	(OFFEREE)	9I
NOTICE OF INTENTION FORM 35		
UNICAN SECURITY SYSTEMS LTD.		9I

NEW ISSUE AND SECONDARY FINANCING

JONES HEWARD FUND LIMITED	59K
PETROMONT EXPLORATION PROGRAM NO.4	59K
PETROMONT OIL & GAS LTD.	59K
SILVER CENTURY EXPLORATIONS LTD.	60K

NAMES

459862 ONTARIO LIMITED			9I
ADANAC MINING AND EXPLORATION LTD.	S.79		227B
ARMEX LIMITED			59K
BOBRON FILM PRODUCTIONS INC.	S.79 & S.87		238B
CANADA PERMANENT MORTGAGE CORPORATION	S.87		246B
CANFUND MILLSTREAM PARTNERSHIP	S.82		227B
CARONESS FILM PRODUCTIONS INC.	S.79 & S.87	235B,	238B
CITY INVESTING COMPANY	S.99		229B
COHEN, RONALD I.	S.79 & S.87	235B,	238B
COOPER, ROBERT	S.79 & S.87	235B,	238B
CSR LIMITED	S.99		234B
DELHI INTERNATIONAL OIL CORP.	S.99		234B
DOMINION DAIRIES LIMITED	S.82		228B
EASTAL EXPLORATION LTD.			59K
G & B AUTOMATED EQUIPMENT LTD.	S.73		230B
G D V INC.	S.99		229B
JAMESTOWN RESOURCES INC.			9I
JONES HEWARD FUND LIMITED			59K
KALMAN, THOMAS P.	S.73		230B
KRISTOF, DR. FRANCIS E.	S.73		230B
LIBERTY PETROLEUMS INC.			9I
MIDDLE AGE CRAZY	S.79 & S.87		235B
MILES, KEITH I.			59K
MSZ RESOURCES LTD.			9I
NATIONAL BANK OF CANADA	S.140		249B
NORTHERN TELECOM LIMITED	S.99 & S.73		243B
OAKWOOD PETROLEUMS LTD.	S.117		241B
PATSON INVESTMENTS LIMITED	S.99		234B
PETROLINE EXPLORERS INC.	S.79		232B
PETROMONT EXPLORATION PROGRAM NO.4			59K
PETROMONT OIL & GAS LTD.			59K
RUNNING	S.79 & S.87		238B
SILVER CENTURY EXPLORATIONS LTD.			59K
SUN LIFE ASSURANCE COMPANY OF CANADA	S.99 & S.73		243B
TEAM ENERGY & MINERALS INC.	S.79		232B
TITHERIDGE, ELIZABETH B.			59K
TORMONT FILM PRODUCTIONS INC.	S.79 & S.87		235B
TOWER FINANCIAL CORPORATION LIMITED			59K
UNICAN SECURITY SYSTEMS LTD.	F.35		9I
WESTERN URANIUM EXPLORATIONS INC.	S.79		233B
ZADAN, LARRY V.			59K



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